



**SINGAPORE
POLICE FORCE**
COMMERCIAL AFFAIRS
DEPARTMENT

ANNUAL REPORT 2016

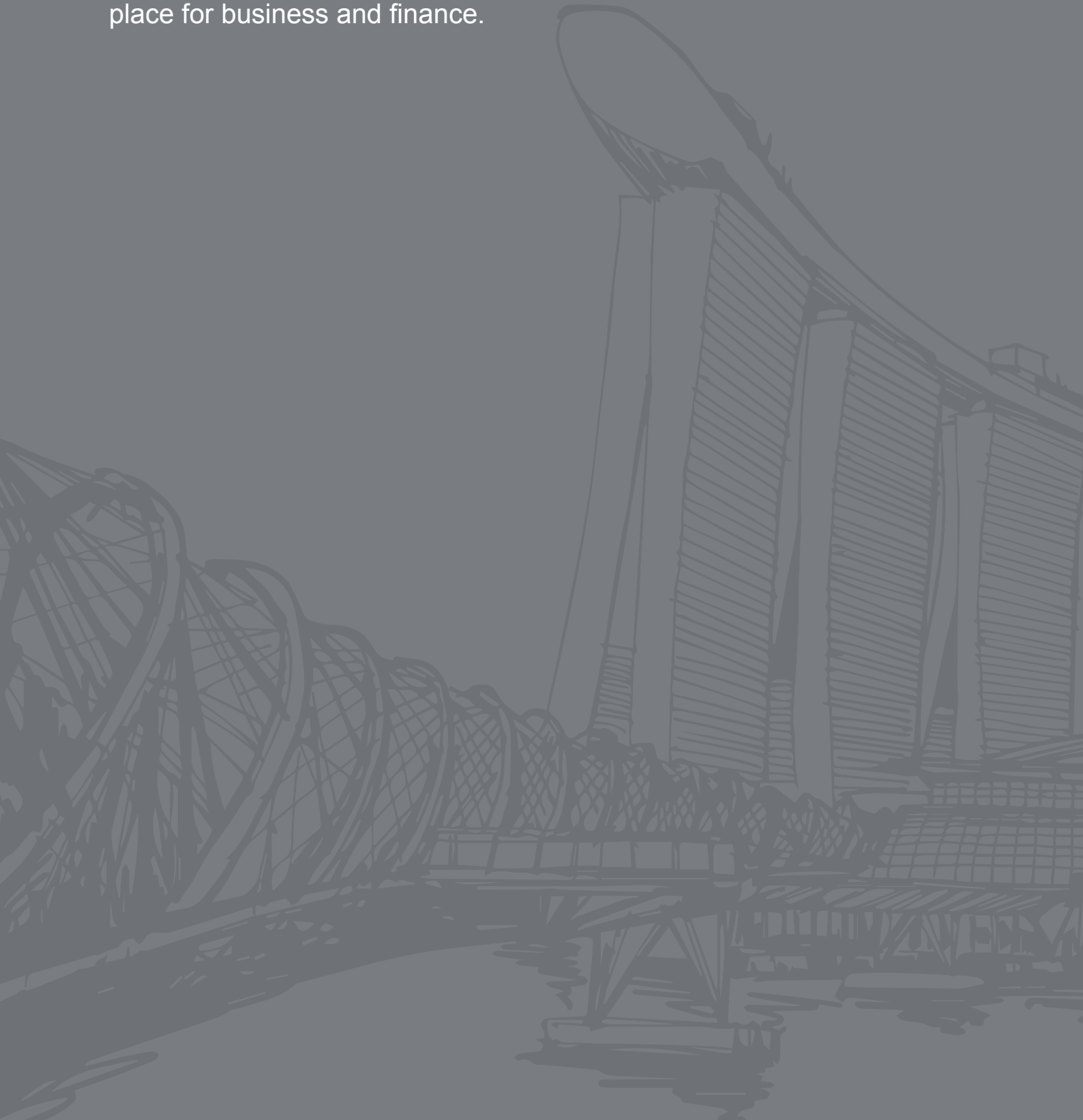


OUR MISSION

To prevent, deter and detect financial crime.

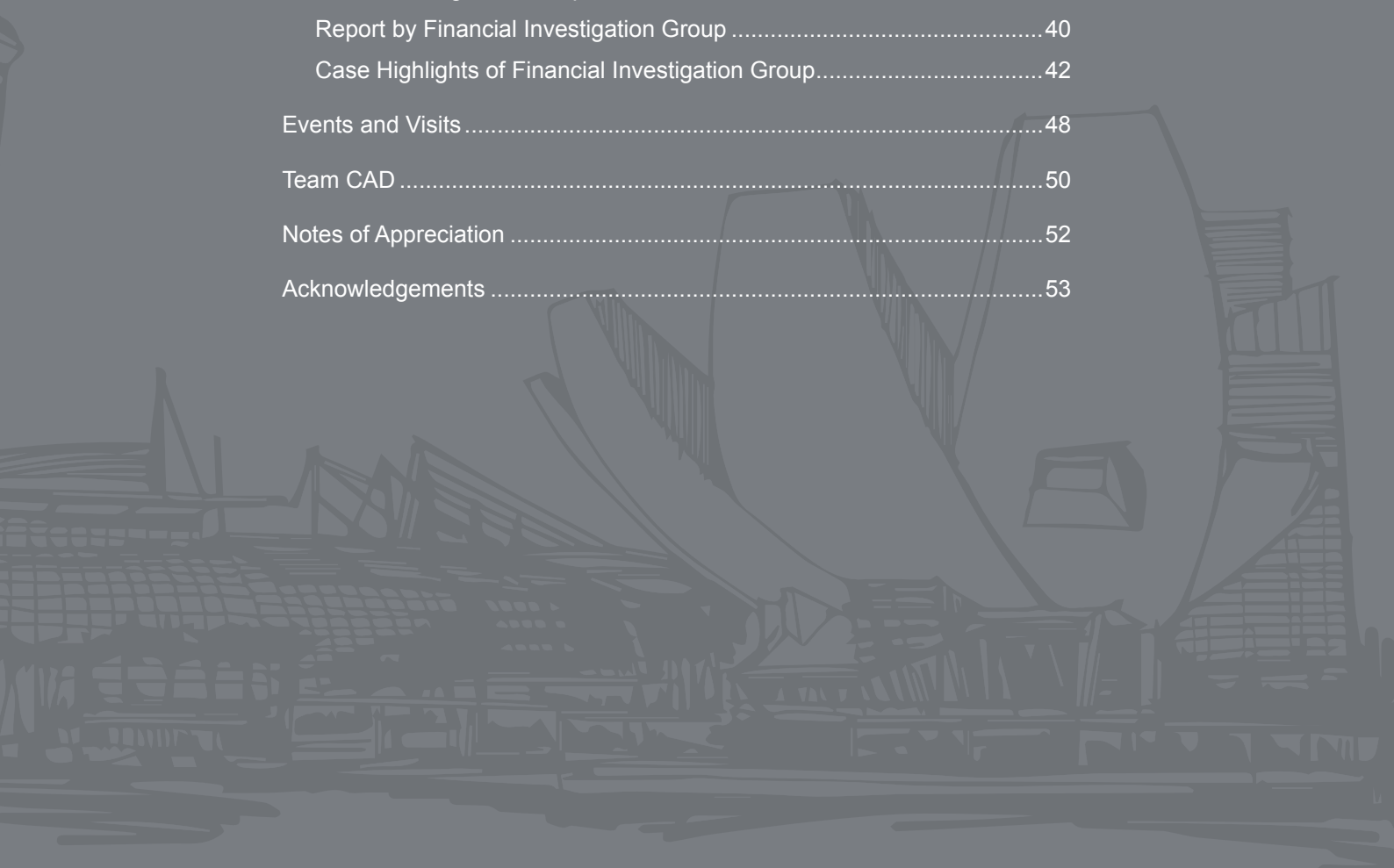
OUR SHARED VISION

To make Singapore the safest and most trusted place for business and finance.



CONTENTS

Commissioner's Message	2
Director's Report	4
Management Team	8
Organisation Structure	10
Partnering with the Local Community	12
Deepening Engagement with International Partners	15
The Land Divisions	18
Intelligence Group	21
Report by Intelligence Group	22
Case Highlights of the Suspicious Transaction Reporting Office	24
Statistics on Financial Intelligence	25
Enforcement Group	29
Report by Enforcement Group	30
Case Highlights of Enforcement Group	32
Financial Investigation Group	39
Report by Financial Investigation Group	40
Case Highlights of Financial Investigation Group	42
Events and Visits	48
Team CAD	50
Notes of Appreciation	52
Acknowledgements	53



COMMISSIONER'S MESSAGE

➤ The CAD has done well in combating white-collar crimes through vigilant and professional enforcement actions. It serves as a stern reminder to would-be perpetrators that crime does not pay.



Singapore has worked to build a strong reputation as a clean and reliable centre for businesses. Investors are attracted to Singapore because they recognise that we are one of the safest and most trusted destinations for commerce and finance.

A robust enforcement regime and a zero-tolerance stance towards financial misdemeanour is imperative in upholding and strengthening investor trust and confidence in Singapore. This important task lies with the Commercial Affairs Department (CAD), an integral part of the Singapore Police Force (SPF) responsible for investigating white-collar crimes in Singapore.

The work to safeguard the integrity and reputation of Singapore as a world class financial and commercial centre has become more challenging. White-collar crimes are increasingly more technologically sophisticated and transnational in nature. Nonetheless, the CAD remains determined to weed out those who seek to undermine the trust in our financial system.

I am pleased to note that several major investigations were successfully concluded last year. For instance, three persons responsible for the 2013 penny stock crash were prosecuted for their role in market manipulation. On the anti-money laundering front, the CAD worked with the Monetary Authority of Singapore to take action against bankers and financial institutions in a complex international money-laundering case. In the wake of worldwide terrorist attacks, we have demonstrated our resolve to take robust action against any person who donates or possesses funds for terrorism-related purposes within our borders, even if the funds are not intended for terrorist acts in Singapore. Our actions showed Singapore does not tolerate the abuse of our financial system as a conduit for illicit fund flows.

Despite the tireless work of our officers, commercial crime trends remained a concern in 2016. Scams continued to form a significant proportion of commercial crimes. In order to maintain the public's trust, it is important that the CAD, working with the other SPF units, continues its multi-pronged approach to combat this crime trend. The SPF remains committed to tackling these crimes head-on by stepping up efforts to raise awareness and vigilance through public education and engagement, as well as increased enforcement and international cooperation.

This multi-pronged approach is bearing fruit. Commercial crimes decreased by 0.6% in 2016, compared to a nearly 50% increase in 2015. This was made possible by the partnership between the SPF and the National Crime Prevention Council to create greater public awareness on the evolving scam tactics. The anti-scam helpline launched last year and the revamped Scamalert.sg website have allowed members of the public to better understand and seek advice on potential scams. The anti-scam campaign also saw messages and advisories being spread through advertisements, community roadshows and the media. Collaborations with other government agencies also ensured that advisories are disseminated to targeted groups in the community.

The SPF has also been working closely with convenience stores, banks and remittance agencies island-wide to identify and intercept scams expeditiously, preventing innocent victims from losing their hard-earned monies to unscrupulous fraudsters based overseas. This strong police-community partnership resulted in the timely interception of several potential scam payments.

On the international front, the CAD is actively engaging foreign law enforcement agencies to tackle cross-border syndicates. For example, a joint operation with the Royal Malaysia Police in February 2017 successfully crippled a syndicate targeting victims from Singapore and Malaysia.

The CAD has done well in combating white-collar crimes through vigilant and professional enforcement actions. It serves as a stern reminder to would-be perpetrators that crime does not pay.

I have every confidence that the unwavering commitment and dedication of the men and women from the CAD will continue to make Singapore the safest and most trusted place for business and finance in the years to come.

Hoong Wee Teck
Commissioner of Police

DIRECTOR'S REPORT

» The CAD, as the principal white-collar crime investigation agency, is tasked with the responsibility of making Singapore the safest and most trusted place for business and finance by preventing, deterring and detecting financial crime.



An Overview of 2016

Singapore has no natural resources and our success as a trade hub and financial centre is built on the sheer hard work of those who have come before us. To remain relevant and preserve our edge in a globalised world, Singapore constantly strives to preserve our hard-won reputation as a safe and trusted financial and commercial centre. The CAD, as the principal white-collar crime investigation agency, is tasked with the responsibility of making Singapore the safest and most trusted place for business and finance by preventing, deterring and detecting financial crime. Never one to rest on our laurels, 2016 proved to be yet another exciting year of fighting external threats and internal abuse of the financial system, as we saw the prosecution of a number of high-profile cases.

We have had to deploy every tool in our tool box in a multi-pronged approach to tackling a spate of transnational commercial crimes. Internet-enabled cheating (e.g. e-commerce scams, love scams and China official impersonation scams) form the bulk of our cases. Scam syndicates exploit Singapore's connectedness for illicit gains and continuously evolve new tactics to evade detection and prosecution. Criminals take advantage of our efficient financial system to launder their ill-gotten gains. We remain vigilant and will not hesitate to take firm and decisive action to bring these criminals to justice, take down their money mules and interdict their ill-gotten gains.

Our officers and those in the land divisions have worked tirelessly to investigate these criminals but that is only one aspect of our multi-faceted approach to combating crime. In 2016, we continued to build strategic partnerships with the local community, stakeholders as well as our foreign counterparts. These partnerships allow us to better monitor crime trends, and position us for the challenges ahead. We cannot overcome this challenge alone; the public and our partners play a crucial role in our vision to make Singapore the safest and most trusted place for business and finance.

Safeguarding Singapore's Financial System

Singapore has always taken a tough stance against those who destabilise our capital markets. 2016 saw the commencement of prosecution for our biggest securities fraud investigation. The penny stock crash in 2013 wiped off \$8 billion of market capitalisation and damaged investors' confidence. In a joint investigation between the CAD and the Monetary Authority of Singapore (MAS), we reviewed extensive documentary evidence to uncover the complex securities fraud. We partnered with the MAS and the Attorney-General's Chambers to prosecute those responsible to deter any abuse of our capital market.

As an open economy, our country sees high volumes of financial transactions. As a member of international organisations such as the Financial Action Task Force, the Asia/Pacific Group on Money Laundering and the Egmont Group of Financial Intelligence Units, Singapore is committed to ensuring that our financial system is not used as a conduit for illicit funds. As a responsible global citizen, we will not hesitate to take action against any who abuse our system to launder criminal proceeds or to fund terrorists even if the crime or intended acts of terrorism is not situated in Singapore. In 2016, the CAD and the MAS commenced joint investigations into a high profile case of transnational money laundering involving millions of dollars. Working closely with the MAS, swift actions were taken which saw a number of individuals being prosecuted and banks being fined or had their licenses withdrawn.

We must remain cognisant of the fact that abuses of the financial system may have far-reaching consequences. The world has seen a worrying trend of terrorism over the past decades. Financial centres like Singapore are acutely aware of the dangers of terrorist financing, where small amounts of terrorism funding can go a long way in causing widespread and long-lasting damage. The CAD has a zero tolerance for even seemingly miniscule funding meant for terrorist activities. In May 2016, we prosecuted six Bangladeshi individuals who



had plotted to finance terrorist attacks in their home country. They were sentenced to between 24 months' and 60 months' imprisonment for collecting or providing a total of \$1,360 for terrorism in Bangladesh. As the worldwide threat of terrorism remains, we will continue to work with our domestic and international partners to exchange financial intelligence to deter terrorist financing, as well as involving industry partners to identify the evolving financial crime typologies.

Safeguarding our Citizenry from Commercial Crimes

Criminals are creative and constantly come up with new methods to cheat. They are also able to quickly recruit people who are willing to join their criminal enterprise as co-conspirators or money launderers. Internet-enabled scams are a major contributor to the increase in commercial crimes. To combat this, the CAD deployed a five-pronged approach of enforcement, inter-agency collaboration, international cooperation, public education and community engagement.

In 2016, the CAD worked with our foreign counterparts to bring the fight to overseas criminal syndicates targeting victims in Singapore. Many Singaporeans fell prey to Internet love scams in 2016. The CAD tracked one syndicate operating in Malaysia that was targeting female victims in Singapore. In February 2017, we conducted a joint operation with the Commercial Crime Investigation Department of the Royal

Malaysia Police to arrest individuals in Malaysia suspected of being involved in the scams. In Singapore, concurrent arrests were effected on money mules who were laundering the syndicate's criminal proceeds through their bank accounts. Like a multi-headed hydra, such scams have a way of re-emerging as new criminal groups rise up to fill the void left by those who are arrested. In 2015, the CAD conducted a joint operation with the Ministry of Public Security of the People's Republic of China that successfully dismantled Chinese syndicates in diverse locations targeting male victims in Singapore in a credit-for-sex scam. Following a resurgence of credit-for-sex scams in 2016, we again cooperated with the authorities of the People's Republic of China to identify and neutralise the new syndicates in China.

International co-operation and arresting the syndicates' money mule network alone will not deter the overseas syndicates operating under the anonymity of the Internet. An important safeguard against commercial crimes is for victims to avoid falling prey in the first place. Working closely with other police departments, government agencies, and the National Crime Prevention Council, the anti-scam campaign saw new initiatives and community roadshows to extend our reach and raise public awareness and vigilance. Officers also tirelessly reached out to the public to educate them on the various scam variants such as the DHL parcel scams and the

warning signs to spot the criminals or their victims. We are heartened to see our message has been taken to heart. The commercial crime rates have dropped slightly, which is cause for cautious optimism. On 11 January 2017, we recognised the work of our partners at banks, remittance agencies and various companies for successfully intercepting more than \$1 million in potential scam payments.

Apart from working with the community, the CAD actively engages our direct stakeholders. The suspicious transaction reports received by the Suspicious Transaction Reporting Office (STRO) provides useful financial intelligence in combating commercial and financial crimes. The STRO also broadcasts crime alerts to financial institutions through its secured bulletin platform, STROLLERTS, to raise awareness of crime trends as they occur.

The CAD continued to build on our traditional networks with the credit card issuers and the motor insurance industry. By sharing with the industry what we have learnt and observed in our investigations, it is hoped that they will be equipped to detect and prevent the criminals' attempts to defraud them. The recent years also saw more government assistance schemes being introduced which resulted in an increase in abuse of such schemes. In 2016, the CAD engaged several government agencies to share our investigative findings with them to enable them to collectively tighten their grant approval process.

Securing Capacity to Fight Crime

As the world grows to be more interconnected, we have encountered more instances of complex and globalised crimes where criminals layer their operations over several jurisdictions, hoping that no single jurisdiction will have the resolve to pursue their case or assets across borders. Collaboration within a country and across territorial boundaries is crucial for us to counter this new trend of globalised crime. When it comes to cross-border crimes, we are as strong as our weakest link. It is therefore important that we not just build our capabilities – we need to collaborate with our foreign counterparts to build capacity in order to stay

ahead of the crime trends. The past year saw us partnering with foreign agencies to organise the 2nd ASEAN Workshop on International Economic Crime, and the Asia Pacific Trade-Based Money Laundering and Trade-Related Economic Risks Workshop. The workshops served as platforms to exchange information on crime trends and best practices. We have also seen attachments and secondments with both our local partners and foreign counterparts. These exchanges not only help us in building our capacity and competence by learning from one another, but also facilitate collaboration with them.

The deepened engagement with our foreign counterparts has achieved results. We saw an increase in our seizures of assets arising from foreign predicate offences from \$33.6 million in 2015 to \$164.5 million in 2016. The number of joint investigations into money laundering offences also rose from 5 to 13 cases in that same period.

I would like to take this opportunity to express my gratitude to our officers, our local partners and our foreign counterparts for their unwavering support in our fight against local and transnational commercial crimes. With their support and resilience, I remain confident in our ability to jointly tackle these criminals with vigour and verve.

David Chew

Director

Commercial Affairs Department

MANAGEMENT TEAM



1. Rachel Koo, Deputy Director, Enforcement Group
2. David Chew, Director
3. Seow Hwee Koon, Deputy Director, Intelligence and Admin Group
4. Ian Wong, Deputy Director, Financial Investigation Group

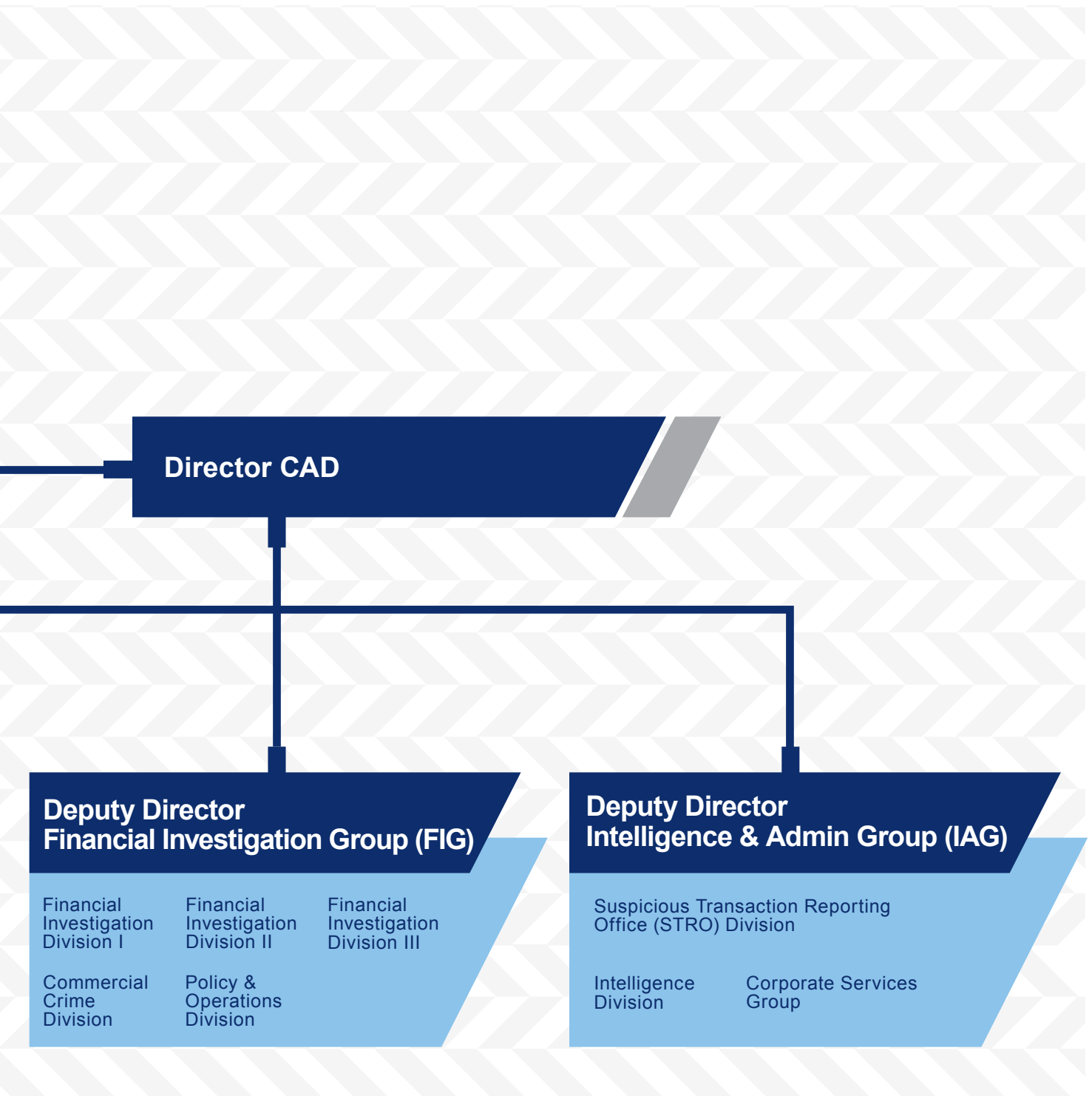


1. [Jude Hansen Fernandez](#), Assistant Director, Corporate Services Group
2. [Kevin Han](#), Assistant Director, Financial Investigation Division III
3. [Peh Chin Wah](#), Assistant Director, Private Institutional Fraud Division
4. [Mak Kum Kay](#), Assistant Director, Specialist Development
5. [Lim Kok Meng](#), Assistant Director, Investment Fraud Division
6. [Jasmine Cher](#), Assistant Director, Policy & Operations Division
7. [Loh Lee Kim](#), Assistant Director, Public Institutional Fraud Division
8. [Tan Fong Chin](#), Assistant Director, Securities Fraud Division
9. [Lee Wee Kiang](#), Assistant Director, Financial Investigation Division I
10. [Cheung Siu Wing](#), Assistant Director, Commercial Crime Division

ORGANISATION

STRUCTURE





PARTNERING WITH THE LOCAL COMMUNITY

The CAD actively partners our local stakeholders to deepen our enforcement expertise and immunise the community against trending crime.



Source: National Crime Prevention Council. Reproduced with permission.



Anti-Scam Advisories

Scams remain a key concern for the CAD. Since 2014, the CAD has been working with several police departments such as the Police Operations Department, the Criminal Investigation Department, and the Police Intelligence Department to combat scams. The CAD, in partnership with the National Crime Prevention Council (NCPC), continued to roll out new initiatives and build on past years' efforts.

The Scamalert.sg website underwent a revamp in July 2016 and saw a two-fold increase in visitorship. Its new features, such as scam victim stories, tell members of the public of new and evolving scams. An anti-scam helpline was also launched in November 2016 where members of the public could seek assistance and clarifications on scams. The anti-scam campaign continued to leverage on media and digital platforms to spread crime alerts. The CAD also conducted outreach programmes to members of the public to raise their vigilance against scams and their awareness of preventive measures they could take.

We also worked hand-in-hand with various entities where money transactions typically take place to prevent crime; we gave banks, remittance agencies and convenience stores advisories of prevalent scams to help them detect possible victims. The vigilance of the local community boosted our efforts to combat crime. On 11 January 2017, the CAD held an Appreciation Awards Ceremony to recognise 42 individuals from 14 organisations. These individuals and organisations managed to intercept more than \$1 million in transfers and payments.

During the year, there was an increase in complaints against binary options trading. An advisory message on binary options was issued in December 2016 and published on The Straits

Times and the SPF website. We highlighted the potential pitfalls of binary options and cautioned the public to be wary of trading in such high-risk instruments.

Outreach to Private Sector Intermediaries

Engaging the Motor Insurance Industry

On 6 October 2016, the CAD held its second outreach programme with strategic partners from the insurance industry. Representatives from the Monetary Authority of Singapore (MAS), the Attorney-General's Chambers (AGC), the General Insurance Association (GIA) and 13 insurance companies attended the session. The outreach provided an opportunity for the CAD to share the progress of motor insurance fraud investigations and show its appreciation to the insurers for their cooperation. The meeting also allowed for the sharing of new crime trends, as well as the best practices in the detection, prevention and deterrence of such fraud.

The CAD, the GIA, and the insurers also held another discussion on 9 November 2016 to address gaps in the insurance claims process to reduce motor insurance fraud

Crime Prevention Talk at the Marina Bay Sands

On 11 October 2016, the CAD, jointly with the Marina Bay Neighbourhood Police Centre, conducted a crime prevention talk for 176 retailers at the Marina Bay Sands. The outreach was to train the ground staff of the retailers to be more vigilant when they handle cash and card payments. The CAD officers shared about the key security features of the Singapore currencies to help retailers distinguish between genuine and counterfeit notes.



Engagements with Government Agencies

Outreach to government agencies providing Government Assistance Schemes

In recent years, more government assistance schemes have been introduced to help Singaporeans and local businesses. This gave rise to more opportunities for fraudsters. As a result, the CAD investigated an increasing number of fraudulent claims involving such schemes.

The CAD has observed commonalities amongst the schemes that make them vulnerable to fraud. In 2016, the CAD engaged five government agencies to discuss these vulnerabilities and the possible enhancements to their processes to protect themselves against fraud. By getting government agencies to look at their methods of preventing and detecting fraud, the CAD seeks to solve crime upstream.

Collaboration & partnering with the MAS

The CAD and the MAS have been conducting joint investigations into market misconduct offences under the Securities and Futures Act since 2015. The arrangement has been an excellent platform to foster the exchange of knowledge and expertise between the two agencies.

On 30 May 2016, the CAD and the MAS organised a meeting cum lunch with their panel of experts. The purpose of the event is to exchange knowledge, discuss the latest trends and developments in the securities industry and to appreciate the work put in by the experts during the past year. The panel of experts was first formed in 2002 and comprises of leading practitioners in the local securities industry whom the CAD regularly taps on in the course of investigating market misconduct cases.

The CAD and the MAS continued to work together to leverage on MoneySENSE to increase the effectiveness of public educational efforts on investment scams. MoneySENSE is a national financial education programme that brings together industry and public sector initiatives to enhance the basic financial literacy of consumers. This includes collaborating with the MAS to include advisories on various investment schemes on MoneySENSE's Consumer Alerts webpage. Another key initiative in 2016 was to work with the NCPC to highlight the pitfalls of investment scams to the public, through the hugely popular Crimewatch series. An entire episode, featuring a land banking investment scam, was aired in November 2016.

DEEPENING ENGAGEMENT WITH INTERNATIONAL PARTNERS

Commercial crime is becoming more complex and transnational. The CAD's response to these challenges is to work closer with our international partners. This is achieved by having effective mechanisms to exchange intelligence, mount joint investigations and build capacity to handle such crimes through cross-agency training.

Joint Operations with Foreign Counterparts

With the increase in transnational crimes, cooperation and collaboration with our foreign counterparts was a crucial arm of the CAD's strategy to fight crime. The past year saw several instances of successful cross-border operations as a result of close collaboration with foreign authorities.

In 2015, the CAD worked closely with the Ministry of Public Security of the People's Republic of China to cripple a transnational syndicate involved in credit-for-sex scams. In 2016, the CAD noted a resurgence of the scams and worked with the Chinese Police to trace and neutralise new criminal syndicates. Through two major operations in China, at least 140 suspects were detained. As a result of extensive local and overseas engagement efforts, there was a dip in credit-for-sex scam cases by 33.8% in 2016 compared to 2015. The total sum cheated also fell by approximately \$1.3 million.

Internet love scams were another area of concern in 2016, with the number of cases increasing by 64% from 2015. To cripple Internet love scam syndicates targeting victims from Singapore and Malaysia, the CAD launched a joint operation with the Commercial Crime Investigation Department of the Royal Malaysia Police (RMP) in February 2017. A total of 27 suspects were arrested in Malaysia during the operation. The



CAD also concurrently coordinated investigations against six female subjects in Singapore for allegedly transferring criminal proceeds to the Malaysia-based suspects.

The RMP also provided invaluable assistance to the CAD in tracing and arresting a Malaysian male, Goh Jia Hao (Goh), who was involved in a Malaysia-based counterfeit credit card syndicate. In May 2015, Goh recruited three Malaysians to use counterfeit credit cards in Singapore. The three Malaysians were subsequently arrested by the CAD and sentenced to 40 months' imprisonment each. Their leader, Goh, remained at large until the RMP arrested him in October 2016. On 31 July 2017, Goh was convicted and sentenced to 66 months' imprisonment.





Building Capabilities Together

The CAD is committed to building capacity to handle increasingly complex transnational crimes. Such efforts include workshops with foreign law enforcement agencies. In July 2016, the CAD collaborated with the U.S. Department of Homeland Security Investigations (HSI), HSI Headquarters Trade Transparency Unit and SPF's Home Team School of Criminal Investigations to hold the Asia Pacific Trade-Based Money Laundering (TBML) and Trade-Related Economic Risks workshop. During the workshop, 60 participants, who included customs, financial and law enforcement representatives from 11 countries, explored current trends and best practices to counter TBML and economic risks via cross-border cooperation.

In November 2016, the CAD organised and conducted the 2nd ASEAN workshop on International Economic Crime (ASEAN IEC). The workshop was held over the course of three days and served as a platform for cooperation and information exchange among law enforcement officers from various countries. 24 participants from ASEAN member states, as well as officers from the ASEAN Secretariat and the Republic of Korea, attended the workshop. The focus of this year's ASEAN IEC was on transnational crime concerns, and included frauds involving credit cards, transnational scams, and money laundering. This year's ASEAN IEC also included a study visit to the Interpol Global Complex for Innovation.





Strengthening Partnerships

The CAD builds and maintains friendships with foreign authorities to strengthen our capabilities in tackling cross-border crimes. In 2016, the CAD hosted several foreign counterparts during their visits to Singapore.

In February 2016, the CAD hosted a visit by officers from the Thailand Department of Special Investigation (DSI). During the visit, officers from the CAD, the Monetary Authority of Singapore (MAS) and the DSI exchanged best practices in their investigations. Visits by foreign law enforcement agencies provide opportunities for the officers to interact

and share experiences, and highlight the importance of international cooperation in combating transnational crimes.

In September 2016, officers from the Financial Intelligence Unit of Myanmar visited the CAD and were hosted by the Suspicious Transaction Reporting Office (STRO). Representatives from both countries shared their views on combating money laundering and the financing of terrorism, and discussed areas of further cooperation. At the end of the visit, the Financial Intelligence Unit of Myanmar and the STRO signed a memorandum of understanding on the exchange of financial intelligence between both countries.



In the same month, an officer from the United Kingdom's Serious Fraud Office (SFO) attended a three-week attachment with the CAD. During the attachment, CAD officers shared the CAD's investigative processes as well as the common types of cases handled by the CAD. The CAD officers also took the opportunity to learn about the SFO and its best practices. The attachment strengthened ties between the two agencies and laid the foundation for future cooperation.

THE LAND DIVISIONS

The CAD is the specialist staff department of the SPF dealing with commercial crimes in Singapore. The CAD is, however, not alone in the battle against commercial crimes. The commercial crime squads, present in each of the land divisions in the SPF, are also committed commercial crime-fighting teams. These case highlights show the integral role the commercial crime squads play in dealing with commercial crimes in Singapore.

PP V POH CHEE TIONG

Poh Chee Tiong (Poh) was a bankrupt. He was managing Cars Today, a second-hand car dealership registered under his wife's name. To obtain loans and expand the company's business, Poh engineered a scheme. Buyers who bought cars from Cars Today would obtain possession of the cars but not the registered ownership. The cars' registered ownership would instead be transferred to the finance companies to secure loans to Poh. The sellers, on the other hand, sold their cars to Cars Today, thinking that Cars Today would settle their outstanding car loans and discharge their obligations as owners. Cars Today did not do so. Altogether, 71 buyers paid a total of \$1,870,263.30 for cars, 14 sellers delivered cars with values

totalling \$435,802.07 and four finance companies disbursed loans totalling \$869,500.

Poh pleaded guilty to 33 out of 168 charges which included offences of cheating and forgery. The remaining charges were taken into consideration in sentencing. He was sentenced to seven years' imprisonment on 15 June 2016. His wife and son who assisted him were fined \$3,000 and \$15,000 respectively.

PP V LUBID NOCILLADO ROCHELLE

Lubid Nocillado Rochelle (Rochelle) was a crew manning executive at Apex Shipping Management Pte Ltd. One of her responsibilities was to prepare wage documents for the shipping crew and to pay

them through the accounts department. Between 2013 and 2014, Rochelle created false wage accounts for 157 shipping crew members and used them to deceive the company director into endorsing payment vouchers. Upon receiving the signed payment vouchers, Rochelle would ask for the accounts department to release funds.

Rochelle used her criminal gains to purchase luxury items for herself and she remitted the rest to Philippines. Her misdeeds came to light when the company discovered discrepancies in their accounts. Rochelle was charged with multiple offences of falsification of accounts, cheating, forgery and money laundering. She was found guilty and was sentenced to 65 months' imprisonment.

| THURSDAY, JUNE 16, 2016 | THE STRAITS TIMES |

Man jailed over \$3.2m used-car scam

Dealer's de facto boss gets seven years' jail for cheating 71 buyers, 14 sellers, 4 finance firms

Amir Hussain

From a Lexus GS300 and a Porsche Boxster to a Geely CK and a Chery QQ, a range of cars paid for by 50 buyers between January 2013 and February last year were repossessed by finance companies.

Unbeknown to the buyers, the second-hand cars had not been registered under their names.

Used-car dealer Cars Today had been running a scam and defaulted on the repayment of loans, which it had taken to buy the cars.

In all, the company cheated 71 buyers, 14 sellers and four finance companies out of a total of \$3.16 million in money and cars.

The buyers and sellers lost at least \$1.42 million in total.

Yesterday, the company's de facto boss Poh Chee Tiong, 62, an undischarged bankrupt, was jailed for seven years.

He had earlier pleaded guilty to 33 out of 168 charges, most of which were for cheating.

He admitted to the remaining 135 charges and these were considered in sentencing.

District Judge Salina Ishak, in her brief grounds of decision, said: "(Poh) had caused significant monetary harm and great inconvenience to his victims."

She noted, among other things, that there were 89 victims – buyers, sellers and finance companies – and

the offences were committed over a long period.

"(Poh) had planned a systematic and elaborate scam to cheat the customers and creditors of Cars Today; (he) committed the offences for personal benefit as he wanted to expand Cars Today's operation and fleet of cars," added the judge.

The court heard that Poh was the sole owner of used-car dealer Car Kingdom between 2007 and 2009, but he was made bankrupt in 2009.

In July 2011, he told his wife Liew Foong Lin, 46, to register Cars Today in her name. Poh solely managed the company.

To get loans to buy cars, Poh would enter into flooring agreements with finance companies.

Under each such agreement, Cars Today would transfer the registered ownership of a car it bought to its financier, so that the finance company would have the right to re-

possess the car if the dealer defaulted on its loan repayment terms.

When the used-car dealer bought a car on credit, it was supposed to inform the finance company of the price at which it bought the car, and sell the car and repay the loan as soon as possible, lest more interest accrue.

But Poh wanted to expand Cars Today's business and fleet of cars, and also increase its cash flow.

So, unknown to its buyers, it did not transfer the ownership of cars to them after they had paid for and collected the vehicles.

In some cases, Cars Today would buy a car and sell it, and thereafter apply for a loan under a flooring agreement. It would thus get a loan and transfer the car's ownership to the finance company, instead of the buyer who had already collected it.

Cars Today also forged documents to mark up the purchase price of

cars, deceiving its financiers into giving out larger loans as a result.

Poh even roped in his son, Poh Ee, 28, then a manager at Cars Today, to do this. Between December 2013 and December 2014, Poh Ee made changes to 18 copies of sales and purchase agreements that sellers had signed, marking up prices at which the cars were bought.

Sellers, meanwhile, were cheated into delivering their vehicles to Cars Today, thinking the company would settle their outstanding car loans. But Cars Today did not.

After delivering their cars, some sellers still had to pay road tax and insurance premiums because they were still listed as their cars' registered owners.

Poh's wife and son have been fined \$3,000 and \$15,000 respectively for their crimes.

amirh@sph.com.sg

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2016年10月29日 星期六 联合早报

PP V ALNEHMI AZZA LASALA

Alnehmi Azza Lasala (Alnehmi) was a staff of a restaurant at Marina Bay Sands. As a staff, Alnehmi was entitled to a number of discounted room stays at the hotel. To prove that she was capable of clocking enough sales to join the sales department, Alnehmi started selling the rooms to her friends and acquaintances at the discounted rate.

When the number of bookings made with her exceeded the quota of rooms she could book at a discount, Alnehmi paid for the difference herself and continued to accept bookings. As she started to run out of money, she used the money collected from customers to pay for the hotel stays of earlier customers. Eventually, Alnehmi was unable to fulfil bookings and her customers were left in limbo. Alnehmi was charged for criminal breach of trust and was sentenced to 12 months' imprisonment.

PP V FENG RIWEN AND OTHERS

Feng Riwen (Feng) and Poh Min Fiona (Poh) were private tutors. They assisted a Chinese private candidate, Chen Yi (Chen), to cheat during his GCE O-Level English paper examination in 2016. When Chen was discovered by the Singapore Examinations and Assessment Board, Feng and Poh instigated Chen to leave Singapore to avoid being subjected to police investigations. Both Feng and Poh were charged with abetment of cheating by conspiring with Chen and others, as well as obstructing the course of justice.

Police also arrested the tuition centre owner, Wong Mee Keow. She was charged with obstructing the course of justice by allegedly deleting photographs of another conspirator, Pony Poh Yuan Nie (Pony Poh), from her mobile phone. This was done to prevent the Police from identifying Pony Poh.

At the time of publication, the case is still in court.

涉共谋协助 私人考生作弊 三男女被控

侯启祥 报道

howks@sph.com.sg

本星期一举行的一场O水准英文考试，疑有团伙协助一名私人考生作弊，警方过后逮捕其中三名涉嫌参与其事者，昨天把他们控上法庭。

这三个人当中，有一男一女涉嫌与人共谋，协助一名O水准私人考生作弊，欺骗考试与评鉴局，被控教唆欺骗罪。

另一名女被告黄美娇（38岁），涉嫌阻碍警方的调查工作，被控妨碍司法公正罪。

三人面控后遭警方还押接受进一步调查，至于协助作弊的手法等细节，控状并没有透露。

三人皆从事补习行业

两名被控共谋教唆欺骗的被告是中国籍的冯日文（男，24岁）和新加坡人傅媛（女，29岁）。他们也各面对一项与人共谋妨碍司法公正罪。

据了解，前天被捕的新加坡人黄美娇是补习中心老板，而三天前被捕的冯日文和傅媛是补习教师，但不清楚他们是否在黄美娇的补习中心执教。

三名被告没有代表律师，主控官邱添伦副检察官告诉法官，警方的调查工作还没有结束，要求案件展期过堂。

法官批准所请，下令将被告还押警署，案展11月4日再过堂。

涉嫌作弊的男性考生是陈义。他是在本月24日下午1时30

分，参加在淡滨尼中学进行的O水准英文第一试卷考试。

根据控状，被告冯日文和傅媛被指与陈家燕和傅媛，以及其他身份不详者共谋，在陈义参加考试时协助他作弊。

他们被指共谋欺骗考试与评鉴局，不诚实地隐瞒陈义在考试时接受协助的事实，诱使该局接受陈义交上来供打分的考卷。

至于他们是如何协助陈义作弊，控状并未透露，必须等到被告认罪或案件审讯时才能知晓。

冯日文和傅媛也涉嫌在同一天，与陈家燕和傅媛共谋教唆陈义离开新加坡，避免他被警方调查。另一被告黄美娇则被指因为警方寻找傅媛接受调查，而于本月26日把傅媛的照片从手机删除，避免警方查出傅媛的身份。

被告等面对的控状，其中妨碍司法公正罪的刑罚最重，可被判坐牢最长七年，或罚款，或两者兼施。教唆欺骗罪的刑罚是坐牢最长三年，或罚款，或两者兼施。

考试与评鉴局发言人昨天受询时说，该局是在获知一名私人考生涉及作弊事件后向警方报案。由于警方目前还在调查中，该局不能对案件置评。（人名译音）

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PP V ONG CHWEE TEE

Ong Chwee Tee (Ong) was an accountant with Witte Far East Pte Ltd. He was entrusted with pre-signed cheques and telegraphic forms to make payments on behalf of his company. Between January 2006 and October 2010, Ong used these pre-signed cheques and forms to issue payments to himself. He then forged invoices and payment vouchers to cover up his deeds. The total amount misappropriated was \$1.2 million.

After Ong's employment was terminated, he joined Chris-Marine (Singapore) Pte Ltd in November 2010. The company made him an authorised signatory to its bank account in 2011. He then made use of the opportunity to misappropriate company funds again. Between January 2013 and May 2014, Ong deceived the company directors into signing cheques totalling \$419,324. To cover his tracks, he forged the company's bank statements by pasting amended figures on the statements and making photocopies. The originals were then shredded.

Ong was sentenced to 87 months' imprisonment in March 2016.

PP V JULEANA BINTE JOHAN

Juleana Binte Johan (Juleana) used two accounts, "Preciousprincess" and "Lovemystuff", to advertise the sale of Jujube diaper bags on Carousell, a popular online shopping platform. She directed her customers to make fund transfers to her mother's bank accounts to pay for the bags. She did not deliver the products after receiving the payments and she used the monies to fund her own expenses.

Juleana had collected a total of \$2,510 from 11 victims. In August 2016, she was convicted of cheating and sentenced to six weeks' imprisonment.

| THE STRAITS TIMES | FRIDAY, APRIL 1, 2016 |

Accountant jailed for siphoning off \$1.6m from 2 firms

Elena Chong
Court Correspondent

An accountant who siphoned off \$1.6 million from two companies was jailed for seven years and three months yesterday.

Ong Chwee Tee, 58, admitted to 24 charges related to offences committed when he was employed by Witte Far East, a firm in the automotive sector, and later Chris-Marine, which deals in ship engine repair and maintenance.

Ong, who worked at Witte from December 2002 to November 2010, was entrusted with pre-signed cheques and telegraphic transfer (TT) forms by his boss to make payments on behalf of the firm, as his boss travelled often.

But not all the cheques and TT forms were used for legitimate payments, said Deputy Public Prosecutor Joel Chen.

On several occasions, Ong issued cheques to himself, banked into his personal account. He also made telegraphic transfers to his bank account with the pre-signed forms he had been given.

From January 2006 to October 2010, Ong misappropriated a total of \$1.2 million from Witte.

Investigations showed that in October 2010, Witte's headquarters in Germany sent a staff member to check on the Singapore office, as it had detected abnormally high payments to Witte's auditors. It had also received complaints about Witte not paying on time.

The headquarters wanted to find out how the Singapore office had a higher turnover than the German office.

When Ong learnt of the impending visit, he cooked up payment

vouchers and invoices stating that payments were made to suppliers, subcontractors and agents, when they were actually paid to himself.

To hide his misappropriation, he also created fake invoices in the name of one PKF Advisory for "professional services" rendered.

After his employment was terminated in early November 2010, he then joined Chris-Marine.

A few months later, after he was made a signatory to Chris-Marine's bank account, Ong devised a scheme to misappropriate company funds by deceiving either of the two directors into signing cheques for his own use.

From January 2013 to May 2014, he deceived the company's directors into signing cheques totalling \$419,324, which was used for his own expenses.

The court heard that Ong printed out amended figures, which he pasted over the figures on the original bank statements.

He photocopied the original statements with the amended figures pasted over them and filed the photocopied ones in the company records before shredding the originals. These falsely reflected a higher bank balance than was actually the case.

It was only in May 2014 after Chris-Marine found out about Ong's remand in prison – he had been charged in court over the Witte offences – that it engaged another accountant to look into its accounts and discovered Ong's wrongdoing.

Ong's lawyers Sunil Sudheesan and Diana Ngiam said he suffered from a persistent depressive disorder.

District Judge Chay Yuen Fatt said he had considered the aggravating factors highlighted by the prosecution such as the large sum involved, how Ong has not returned any of the money and his similar previous conviction.

Referring to Ong's desire to provide for the family as pointed out by Mr Sunil, the judge said what Ong had done had crossed the line into the "dominion of greed".

elena@sph.com.sg

The court heard that Ong printed out amended figures, which he pasted over the figures on the original bank statements.

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INTELLIGENCE GROUP



FRONT ROW (Seated): **Jude Hansen Fernandez**, Assistant Director, Corporate Services Group, **Seow Hwee Koon**, Deputy Director, Intelligence and Admin Group, **Mak Kum Kay**, Assistant Director, Specialist Development

BACK ROW (Standing): **Lim Boon Jui**, Suspicious Transaction Reporting Office Branch III, **Rovin Ng**, Head, Intelligence Division, **Chua Jia Leng**, Head, Suspicious Transaction Reporting Office Branch II, **Joey Lim**, Head, Manpower & Training Division, **Yolanda Chin**, Head, Suspicious Transaction Reporting Office Branch I, **Christabelle Lim**, Head, Corporate Support Division, **Eugene Neo**, Head, Planning & Organisation Development Division

NOT IN PICTURE: **Andrew Pek**, Head, Field Research Branch

REPORT BY INTELLIGENCE GROUP

The Intelligence Division provides comprehensive, timely and accurate field intelligence support to the enforcement arms of the CAD. The division networks extensively with local intelligence agencies and overseas law enforcement agencies for the effective exchange and gathering of information given the transnational nature of commercial crimes.

The Suspicious Transaction Reporting Office (STRO) is the Financial Intelligence Unit (FIU) of Singapore. It is the central agency in Singapore for receiving, analysing and disseminating Suspicious Transaction Reports (STRs), Cash Movement Reports (CMRs) and Cash Transaction Reports (CTRs). The STRO turns raw data in these reports into financial intelligence to detect money laundering, terrorism financing and other criminal offences.

About the Intelligence Division

The field intelligence section and the intelligence analysis and processing section support the enforcement units of the CAD in the mission to prevent, deter and detect financial crime.

The Intelligence Division was called on to mount ground intelligence operations in several investigations conducted by the CAD, including a case against a foreign syndicate that had been using counterfeit credit cards to make purchases from local boutique outlets. The joint efforts of the Division and the investigation unit led to the identification and arrests of the key members of the syndicate. The Division also had collaborations with multiple overseas enforcement agencies. The intelligence shared helped ongoing investigations.

Besides gathering intelligence for many investigations, the Division worked with remittance agencies to prevent crime. The staff of remittance agencies gave advisories of prevalent scams to possible victims of scam. Their timely intervention stopped victims-to-be from making payments amounting to \$711,076 in 2016.

About the Suspicious Transaction Reporting Office

The STRO receives, analyses and disseminates financial intelligence. It engages and collaborates with the different stakeholders in the local community, such as the reporting entities and the domestic investigation and regulatory agencies. In a similar manner, the STRO also collaborates with its many foreign counterparts.

In 2016, the STRO continued to reach out to reporting entities through its publications and outreach sessions.

The aim was to keep the reporting entities updated on the latest crime trends, allowing them to be better equipped to detect suspicious financial transactions. There was a 12% increase in the number of STRs filed compared to 2015. CMR filings decreased by 4% and CTR filings decreased by 3% in 2016.

The STRs disseminated to domestic agencies dropped by 3% compared to 2015. The majority of STRs were referred to SPF units. Although other domestic agencies still received fewer referrals of STRs compared to the SPF, the gap is narrowing – the proportion of STRs referred to these other domestic agencies has increased from 32% in 2015 to 38% in 2016. The information disseminated covered a spectrum of crime and this indicates the increasing relevance of the financial intelligence handled by the STRO to the domestic agencies.

The STRO remains committed to international cooperation. In 2016, the requests for assistance from foreign FIUs jumped by 16%. The STRO also disseminated 333 spontaneous exchange of information to foreign FIUs. The STRO has also concluded a letter of undertaking with its counterpart in Mongolia and established memoranda of understanding with Cambodia, Luxembourg, Myanmar, Nepal and Sri Lanka. Such undertakings and arrangements allow for the exchange of financial intelligence between the STRO and its foreign counterparts, and this is pivotal in the fight against transnational crimes.

In the year, the STRO supported Singapore's efforts to operationalise the International Anti-Corruption Coordination Centre (IACCC) and shared on how the STRO may exchange financial intelligence with its foreign



counterparts. The IACCC is located in the United Kingdom and aims to collaborate and share information on corruption cases. The project shows the important role and usefulness of financial intelligence in the global fight against corruption.

The STRO is revamping its information technology infrastructure and analysis methodologies. The improvements will enhance the STRO's ability to capture information and analyse its financial intelligence.

The STRO also developed e-learning materials for law enforcement agencies to learn about financial intelligence, from the convenience of their desktops.

In 2016, the STRO received two awards for its innovation project named "STROLLERTS" – the Gold with Merit award at the National Team Excellence Symposium and an international award at the International Exposition for Team Excellence Competition, an event organised by the Singapore Productivity Association. STROLLERTS is a secured bulletin platform for the STRO to send bulletins and

broadcasts to users of STROLLS and it is used to provide guidance on the filing of STRs and the dissemination of crime alerts to the reporting entities to raise awareness of crime.

The STRO will continue to improve its capabilities and strengthen collaboration with the various stakeholders to better contribute to crime-fighting efforts locally and globally.

Seow Hwee Koon
Deputy Director
 Intelligence and Admin Group

CASE HIGHLIGHTS OF THE SUSPICIOUS TRANSACTION REPORTING OFFICE

CASE INVOLVING FALSIFICATION OF ACCOUNTS AND MONEY LAUNDERING

In 2010, the STRO received a suspicious transaction report (STR) on Company A. Company A is a foreign-registered company and has a Singapore bank account. Its bank account received an inward remittance of about US\$4 million from Company B, a company that provides Information Technology (IT) services.

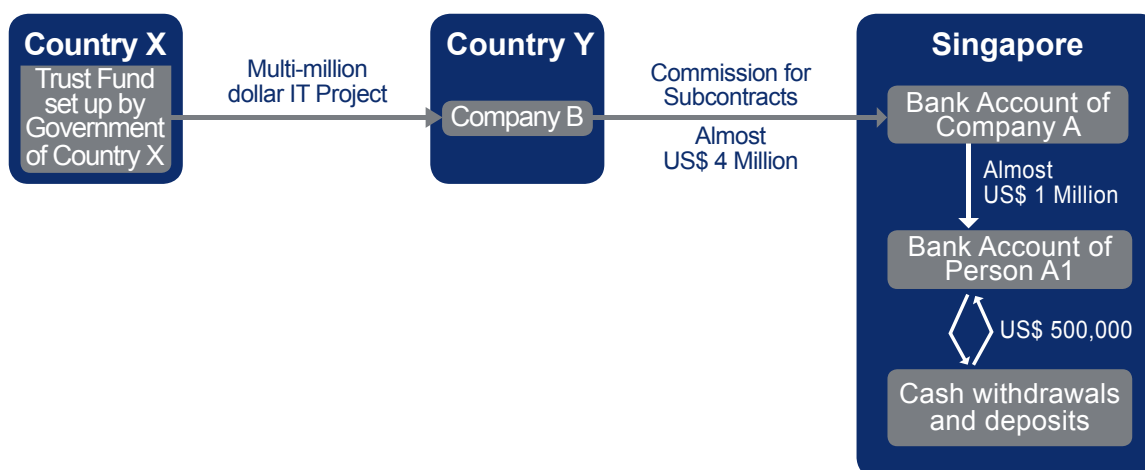
Company A later transferred about US\$500,000 to a Singapore bank account held by Person A1. Person A1 is a politician in Country X.

It was detected that Company A was engaged by Country X as a project consultant. The millions paid by Company B to Company A were commission for referring IT contracts to Company B. Company A's payment of US\$500,000 to Person A1 was Person A1's commission for introducing business contracts to Company A.

The STRO conducted analysis and detected possible round-tripping, a common tactic used for money laundering. After the US\$500,000 was paid into Person A1's bank account, the monies were withdrawn in cash and re-deposited into Person A1's account three weeks later. The STRO disseminated information from the STR and the results of its analysis to the Corrupt Practices Investigation Bureau (CPIB).

The CPIB assessed that there was reasonable suspicion that the "commission" payments were illegal gratification and commenced an investigation into possible corruption and related money laundering on the dealings between the entities involved. The CPIB's investigation pieced together a transnational money laundering case. A trust fund was set up in Country X to manage the project and Person A2 was the trustee to the trust fund. The trust fund subsequently hired Company B to supply IT services for the project. Person A2 and his accomplice, Person A3, conspired with an employee of Company B, Person A4, to issue fictitious invoices to the project for non-existent services. Company A was a shell company set up by Person A2 and Person A3 to receive payments from the fictitious invoices, Person A3 was also the director of Company A. Over the years, Person A1 received almost US\$1 million from Company A.

The following diagram depicts the funds flow amongst the entities:



The STRO continued to support the CPIB in their investigations and rendered assistance to Country X. The CPIB subsequently prosecuted Person A2, Person A3 and Person A4. They were convicted in 2016 for falsification of accounts and money laundering offences. Person A2 was sentenced to five years and ten months' imprisonment while Person A3 was sentenced to five years' imprisonment. Person A4 fled Singapore and is at large.

In the course of investigation, the CPIB seized more than US\$2 million of criminal proceeds in the Singapore bank accounts of Company A and Person A1. The criminal proceeds were subsequently forfeited to the state.

The case highlights the important role that the STR reporting entities play in the detection of money laundering and related criminal activity. Due to the vigilance of the reporting entity in detecting suspicious transactions in the accounts of customers, the STRO was able to disseminate financial intelligence to the CPIB. The quick action of the CPIB ensured that the perpetrators were swiftly brought to justice and the criminal proceeds were seized and forfeited.

STATISTICS ON FINANCIAL INTELLIGENCE



Suspicious
Transaction
Reports

↑ 12%



Cash
Movement
Reports

↓ 4%



Cash
Transaction
Reports

↓ 3%



Requests
For
Assistance

↑ 16%



Spontaneous
Exchange Of
Information

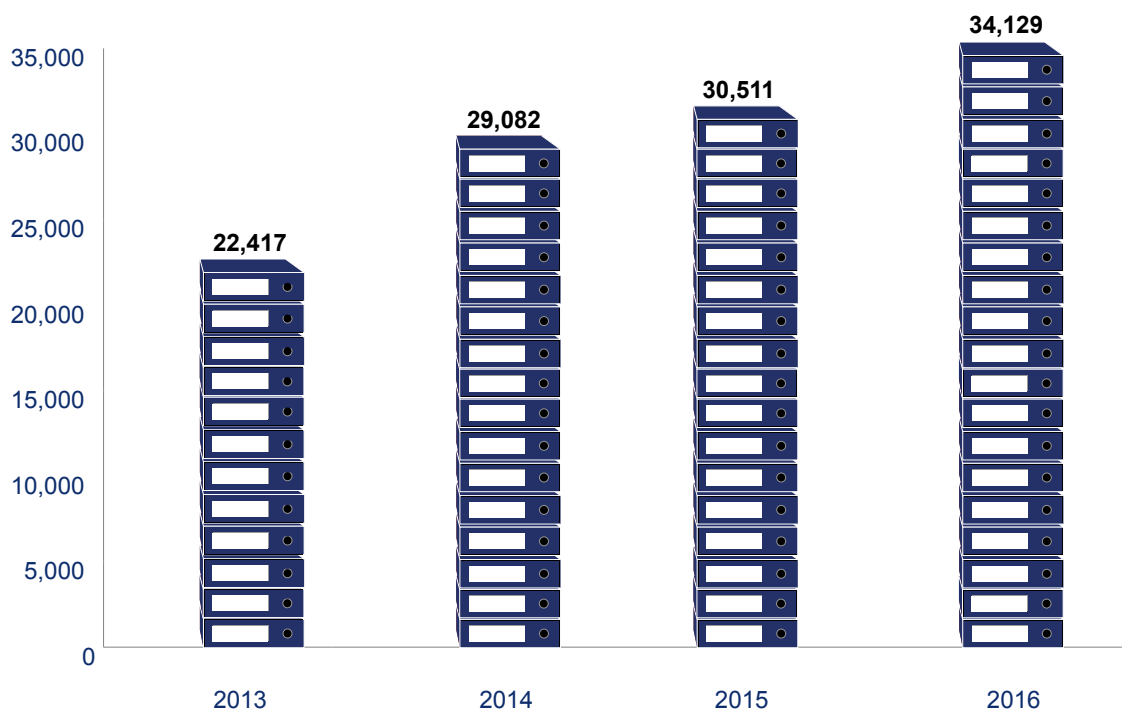
↓ 17%

TOTAL NUMBER OF STRs SUBMITTED



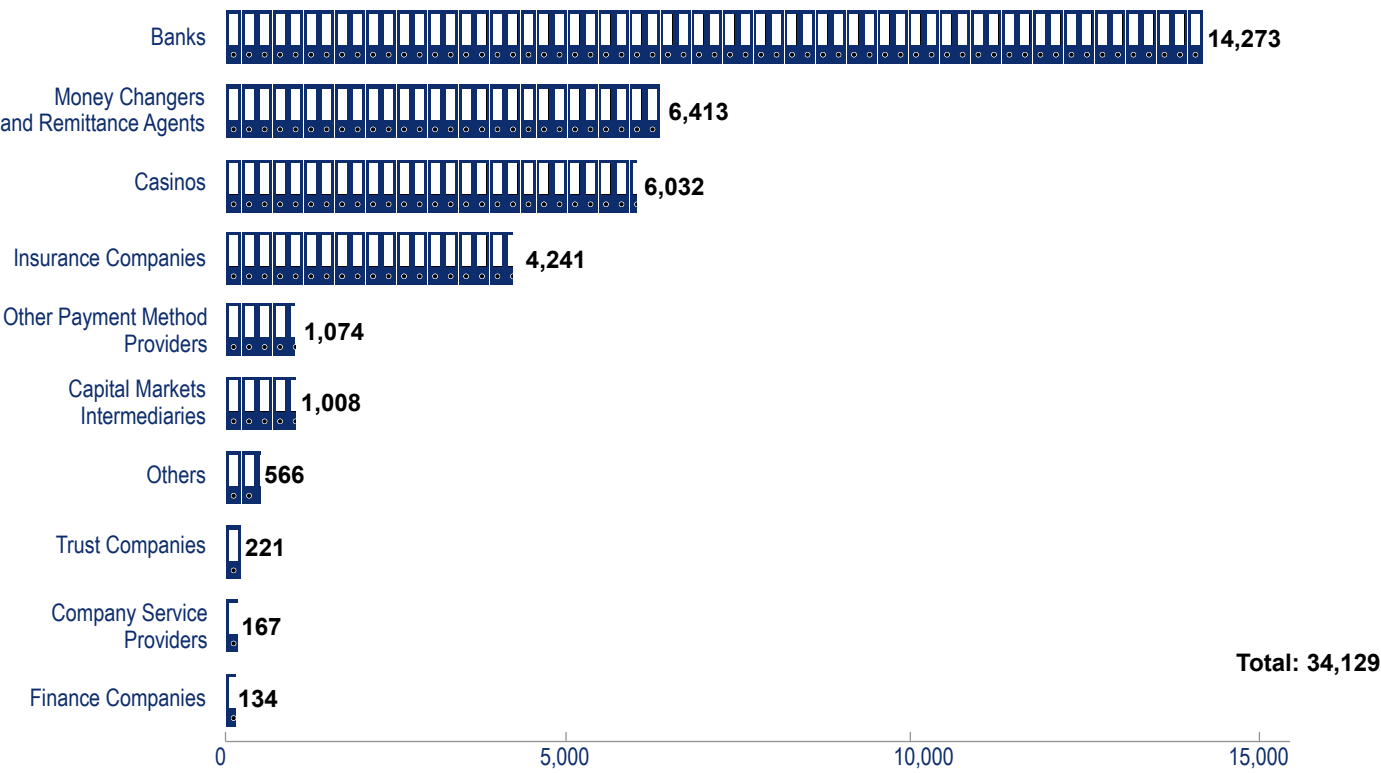
↑ 12% | 34,129 STRs

Between 2013 and 2016, the STRO observed an upward trend in the number of STRs received. In 2016, the STRO received 34,129 STRs which was a 12% increase from 2015. The upward trend is an indication of the continued vigilance of reporting entities in detecting suspicious transactions and the Anti-Money Laundering/Counter-Financing of Terrorism(AML/CFT) awareness in Singapore.



BREAKDOWN BY STRs SUBMITTED BY SECTOR

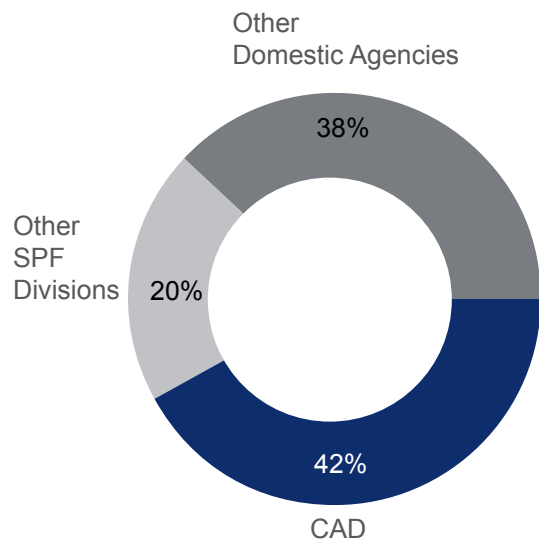
The banking sector continues to be the main source of STRs received by the STRO in 2016. The STRO also received an increasing number of STRs from other sectors. A breakdown of the STRs submitted by the various sectors is shown in the chart below:



OUTCOME OF STR ANALYSIS

Financial Intelligence Reports Disseminated in 2016 by Agency

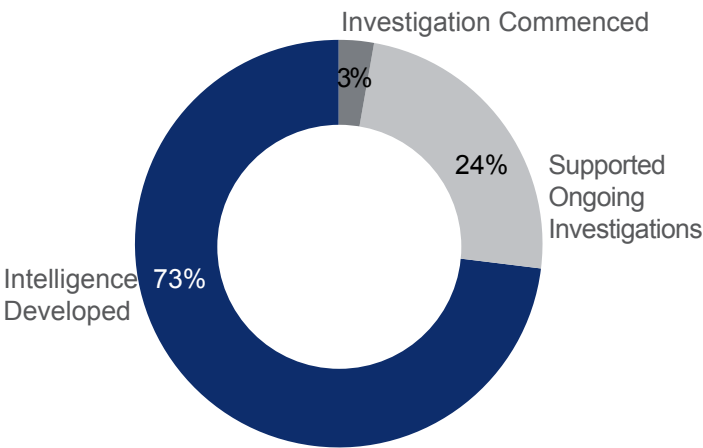
In 2016, the SPF and the CAD collectively received the majority of the financial intelligence reports disseminated by the STRO. While the number of disseminations saw a 3% drop in 2016 compared to 2015, the total disseminations in 2016 is higher than that in 2014.



Impact of Financial Intelligence Reports Disseminated

Financial intelligence plays an important role in investigations as it could provide leads to commence investigations, or support ongoing investigations. Financial intelligence can also be used to develop further intelligence, to identify emerging crime trends or detect possible crime.

In 2016, the disseminated financial intelligence reports were predominantly used to develop further intelligence. We also see an increased use of financial intelligence to support ongoing investigations in 2016 as compared to 2015.



TOTAL NUMBER OF CMRs SUBMITTED

Cash Movement Reports (CMRs)



4% | 73,408 CMRs

The STRO receives cross border CMRs from travellers (NP727 reports) and senders, carriers and recipients (NP728 reports). The number of CMRs received by the STRO decreased by 4% from 76,823 in 2015 to 73,408 in 2016. The decrease was attributed to a drop in the number of NP728 reports submitted to the STRO.

TOTAL NUMBER OF CTRs SUBMITTED

Cash Transaction Reports (CTRs)



3% | 367,689 CTRs

The STRO has been receiving CTRs from casino operators (since 2010) and precious stones and metals dealers (since 2014). The number of CTRs submitted in the year decreased by 3% from 378,498 in 2015 to 367,689 in 2016. Despite the drop, the overall number of CTRs received remained high. There were also more CTR filers in 2016. This demonstrates the increased level of AML/CFT awareness amongst the casinos and precious stones and metals dealers.

Where relevant, CTR information is disseminated to domestic law enforcement agencies and foreign FIUs and CTRs do provide valuable information to the investigators.

NUMBER OF REQUESTS FOR ASSISTANCE FROM FOREIGN FIUs

Requests for Assistance (RFAs)



16% | 227 RFAs

As a member of the Egmont Group of Financial Intelligence Units, the STRO renders assistance to our overseas counterparts in the global fight against money laundering and terrorism financing. Since 2012, the STRO has been receiving an increasing number of RFAs from our foreign counterparts. In 2016, the STRO received 16% more RFAs as compared to 2015.

NUMBER OF SPONTANEOUS PROVISION OF INFORMATION TO FOREIGN FIUs

Spontaneous Exchange of Information (SEIs)



17% | 333 SEIs

The STRO proactively disseminates financial intelligence reports to our foreign counterparts to assist their law enforcement agencies in the detection and investigation of criminal offences, and to find out if there are possible corresponding money laundering offences in Singapore. The number of SEIs sent to foreign FIUs decreased from 402 in 2015 to 333 in 2016.

COMMUNITY PARTNERSHIP

Relationship with the Community

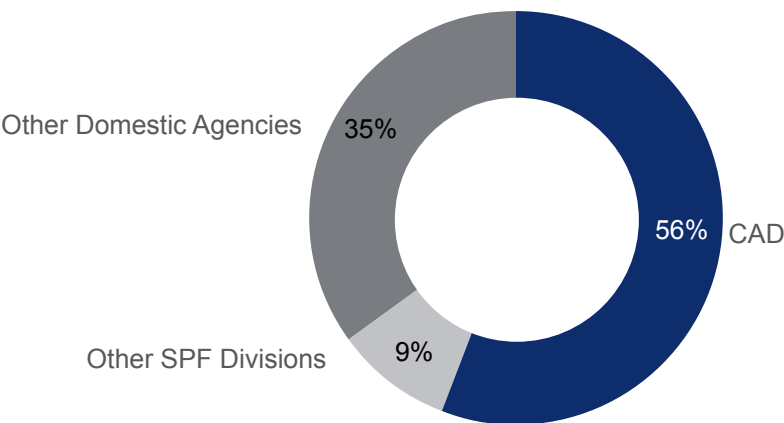
In 2016, the STRO conducted outreach sessions and issued publications to the financial and professional service sectors. The outreach sessions include closed-door sessions with individual financial institutions, industry-wide events jointly organised by the industry association and/or regulators.

At these face-to-face events, the STRO shared typologies of crimes relevant to the respective industries, good practices adopted by reporting entities in the reports submitted to the STRO and we also discussed areas of concern that the participants might have in the filing of reports. To promote early detection of crimes, the STRO has also initiated specific case discussions with stakeholders. This proactive engagement with the community and industry has allowed the STRO to receive STRs disclosing various possible criminal activities from the different sectors.

Relationship with Domestic Agencies

The STRO held 19 meetings and discussion sessions with domestic agencies, including law enforcement agencies, regulatory units and a government ministry in 2016. These meetings and discussions sought to raise awareness of the value of financial intelligence in criminal investigations, exchange trends and crime typologies as well as set dissemination policies and criteria.

These sessions have increased the use of financial intelligence in investigations. In 2016, the STRO has seen an increase in the number of requests by domestic agencies for suspicious financial transactions. The STRO received 1,899 requests for antecedent reports in 2016, an increase of 14% from 2015.



ENFORCEMENT GROUP



FRONT ROW (Seated): **Loh Lee Kim**, Assistant Director, Public Institutional Fraud Division, **Lim Kok Meng**, Assistant Director, Investment Fraud Division, **Rachel Koo**, Deputy Director, Enforcement Group, **Peh Chin Wah**, Assistant Director, Private Institutional Fraud Division, **Tan Fong Chin**, Assistant Director, Securities Fraud Division

BACK ROW (Standing): **Ng Chong Seng**, Head, Private Institutional Fraud Branch I, **Ng Yining**, Head, Securities Fraud Branch I, **Michelle Foo**, Head, Investment Fraud Branch II, **Tay Yi Jie**, Head, Public Companies Investigation Branch, **Sheryl Tan**, Head, Securities Fraud Branch II, **Lionel Damian Low**, Head, Investment Fraud Branch I, **Henry Seah**, Head, Private Institutional Fraud Branch II

REPORT BY ENFORCEMENT GROUP

The Enforcement Group comprises of four divisions: Securities Fraud Division, Investment Fraud Division, Private Institutional Fraud Division and Public Institutional Fraud Division. The Enforcement Group investigates into four main clusters of commercial crime. These are namely capital market fraud, complex fraudulent investment and pyramid selling schemes, fraud involving private companies, businesses, lawyers and accountants, and fraud involving government agencies and the public sector.

The Year in Review

2016 was another hectic year for the Enforcement Group.

Increasingly sophisticated and innovative investment schemes, many of which are questionable in nature, continue to feature in the complaints received by the Investment Fraud Division.

A number of these questionable schemes involved the unlicensed offering of regulated financial services, such as trading in leveraged foreign exchange. It is doubtful if these schemes were legitimate. But even if the schemes were genuine, they would not have fulfilled the criteria imposed by the Monetary Authority of Singapore (MAS). Investing in such unlicensed schemes means that the investors did not enjoy the safeguards that are in place when dealing with licensed persons. To entice potential investors, these unlicensed schemes typically offered guaranteed or high returns. Many investors felt reassured after they received their first payout and continued to invest. However, they ended up losing much, if not all, of their monies, when the scheme was unable to keep up with the promised payments and crumbled.

It is trite that investments offering higher returns tend to carry higher risks. To be able to offer high returns to investors, the scheme needs to generate much higher returns to be sustainable. It is important that investors carefully scrutinise the business proposition and the risks involved before committing their funds. Investors should also check if the schemes are regulated by the MAS.

A different type of investment opportunity came into prominence in late 2016 - the Securities Fraud Division saw a flurry of complaints involving binary options trading. A sizable group of investors had opened accounts with offshore binary options trading providers and transferred monies to these binary options platforms for trading purposes. Many of these investors eventually found themselves losing all their monies. Some even had unauthorised withdrawals in their debit/credit cards after they had handed over their card details for payment.

We issued a crime advisory on the risks of binary options trading in December 2016 and would like to remind the public of the risks involved in such trading. Many of the binary options trading platforms are unregulated and based outside Singapore. Investors who choose to trade with these platforms face a high risk of not recovering the monies they invested.

I mentioned the CAD's joint investigation with the MAS into the trading in the shares of Asiasons Capital Ltd, Blumont Group Ltd and LionGold Corp Ltd in the 2014 annual report. In November 2016, we charged three suspects for various offences under the Companies Act, the Penal Code and the Securities and Futures Act. The matter is currently before the court.

During the year, proceedings on some other market misconduct prosecutions drew to a close. In *Lee Chee Keet v PP*, the accused was sentenced to four months' imprisonment on appeal for the deceptive use of nominees to circumvent a moratorium imposed by the Singapore Exchange. In another case, two former foreign exchange traders, Ivan Chng and Toh Hway Khuan, were sentenced to 15 and 8 weeks' imprisonment respectively for matching their personal trades against their employers' proprietary accounts to unjustly benefit themselves.

In the last annual report, I highlighted the case of Anthony Soh Guan Cheow. Anthony Soh was then sentenced to eight years and nine months' imprisonment for multiple offences including insider trading and false trading in connection with the takeover offer of Jade Technologies Holdings Ltd. This was one of the stiffest sentences ever meted out to a market misconduct offender. The sentence has since been enhanced on appeal to 11 years. In the appeal, the judge held that the scale and gravity of Anthony Soh's wrongdoing warranted a considerable uplift to reflect the overall criminality of the misconduct. Anthony Soh has filed an application to refer questions of law of public interest and the case is pending the Court of Appeal.

The lengthy custodial sentences handed by the courts reflect the gravity of market misconduct offences and serve as a deterrence against other like-minded individuals looking to exploit our financial market. We are heartened that the courts are taking a tough stance towards the offenders of market misconduct offences and we will continue to pursue such cases vigorously.

We also take a serious view on fraud perpetrated in privately-held entities and the public sector. Good corporate governance is essential to prevent such fraud. This is especially critical for public organisations, government bodies and charities as they are publicly funded. Thus, conscientious efforts must be made by both the private and public sectors to ensure that they have a good corporate governance framework, and all employees adhere to the corporate governance guidelines in place.

The Private Institutional Fraud Division and the Public Institutional Fraud Division have encountered several cases where fraud went undetected for a long time within an organisation because employees disregarded the internal control processes in place. For instance, while bank account signatories can act as a check against unauthorised payments, cheques or fund transfer forms pre-signed for convenience were used to make unauthorised withdrawals. There were also cases where bank account signatories were deceived into approving fraudulent payments because they failed to verify the payment against the supporting documents, or relied on other signatories to perform the necessary checks.

Corporate entities should realise that while the rules and guidelines may add on to the workload and red tape in the organisation, they go a long way towards fraud prevention. By the time a fraud is uncovered, the criminal proceeds may have been dissipated.

In recent years, the government has introduced more government assistance schemes to help Singaporeans and local businesses defray rising costs of living and doing business in Singapore. This development gives rise to more opportunities for fraudsters. As a result, the Public Institutional Fraud Division has been receiving an increasing number of allegations of fraudulent claims against government assistance schemes. In 2016, we have engaged government agencies who handle various types of schemes to discuss how we can work together to reduce opportunities for fraud.

Looking Ahead

Advancements in technology are often a double-edged sword. While technological advancements can mean new and useful business innovations, fraudsters are also tapping on technology to refine their schemes. For example, financial technology, commonly referred to as Fintech, can potentially discover new and innovative means of delivering traditional financial services. Crowdfunding is one such means of raising capital for businesses. However, the pitfalls and risks involved in these novel financial products or services may not be fully understood by members of the public. Fraudsters may capitalise on this opportunity to develop schemes with a view of attracting investors looking to put their money in the next big Fintech innovation.

We recognise that preserving the integrity of our financial markets must be a collective effort. We have been working closely with the MAS to study upcoming Fintech innovations and will continue to collaborate with our industry partners to prevent, deter and detect financial crime.

Market integrity is the cornerstone to a successful and vibrant financial market. We believe that it is in everyone's interest to preserve market integrity and stamp out any market misconduct. The stockbroking industry, in particular, plays a crucial role as the intermediary between investors and the stock exchange, and stands to benefit when there is greater investor confidence in the market. In the year ahead, we will be engaging the stockbrokers to explore ways to strengthen market integrity.

Being a downstream investigative arm for public sector fraud, it is important for us to continue to engage the rest of the government agencies to put in place a comprehensive risk management framework to deter fraudsters from cheating the government. Part of this framework will of course include a strong enforcement response to suspected fraud.

With the changing demographics and profile of fraudsters that we deal with, it is important that we continuously review and improve the way we carry out our daily work. To deal with the challenges posed by increasingly sophisticated fraudsters, we will continuously improve on the competencies and skillsets of our officers to ensure that we are adequately equipped to deal with the challenges ahead.

Rachel Koo
Deputy Director
Enforcement Group

CASE HIGHLIGHTS OF ENFORCEMENT GROUP

PP V YAK PUAY KHIM

Yak Puay Khim (Yap) was the accounts clerk of four companies, namely Swee Wan Trading Pte Ltd, Swee Wan Enterprises Pte Ltd, SKH Trends Pte Ltd and SHM Marketing Pte Ltd. Two of the companies were owned by her uncles and the remaining two by her brothers. In June 2016, she was prosecuted for forgery of company cheques, falsification of company accounts, and money laundering offences.

Between 2006 and 2011, Yak had forged cheques from the four companies, and diverted \$4.8 million of company funds to her personal bank accounts to pay for personal expenditures, insurance premiums, and payments towards her property acquisitions. To conceal these unauthorised payments, Yak falsified accounting records belonging to the four companies.

Yak pleaded guilty in March 2017 and was sentenced to 102 months' imprisonment.

PP V SOH HUA XIANG AND ANOTHER

Soh Hua Xiang (Soh) was a Business Capabilities Manager in SPRING Singapore, in charge of the Innovation & Capability Voucher (ICV) scheme. I Shu Hui (I) was a Finance Manager in SPRING Singapore. She is also Soh's girlfriend.

The ICV scheme is meant to help small and medium enterprises (SMEs) to upgrade and strengthen their business operations through consultancy in the areas of innovation, productivity, human resources and financial management. The ICV scheme also supports SMEs in the adoption and implementation of pre-scoped integrated solutions to improve business efficiency and productivity.

On 10 February 2017, Soh and I were charged in court for having conspired to cheat SPRING Singapore by submitting 39 fraudulent ICV claims in the names of SMEs

that knew nothing about these claims. Soh was also charged for submitting another fraudulent ICV claim on his own. These 40 claims were made between July 2015 and January 2016. SPRING had paid out \$55,000 worth of grants on 11 of these 40 claims. Soh and I had also forged various documents to support the fraudulent ICV applications and claims.

On 6 June 2017, Soh and I were sentenced to 15 months' imprisonment and 12 months' imprisonment respectively.

PP V GAZALY MALEK AND OTHERS

Majlis Pusat Singapura is a non-profit organisation that had been organising the Hari Raya Light-Up at Geylang Serai annually since 1996. In 2011 and 2012, Gazaly Malek (Gazaly) was the Manager of Majlis Pusat Singapura.

Sole proprietorships MCC Events & Production and 7M Natural Sources were engaged by Majlis Pusat Singapura to be the main contractors for the Light-Up event for 2011 and 2012 respectively.

| WEDNESDAY, MAY 11, 2016 | THE STRAITS TIMES |

Hari Raya event scam: 2nd man jailed 20 weeks

Amir Hussain

A second man involved in a scheme to dupe government organisations into paying nearly \$200,000 more for a Hari Raya event was yesterday jailed for 20 weeks.

Salleh Sam, 50, had pleaded guilty on Monday to three charges of scheming to cheat and one count of managing a business as an undischarged bankrupt.

He was also fined \$6,000. He had admitted to seven other related charges, which were considered in sentencing.

A district court had heard that Salleh and three others allegedly conspired to inflate the costs of the annual Hari Raya light-up event in Geylang in 2011 and 2012. This has been organised since 1996 by Majlis Pusat Singapura, the umbrella body for Malay cultural groups.

Salleh was the manager of event companies MCC Events and Production, and 7M Natural Sources, which were involved in the light-up event in 2011 and 2012.

On Monday, Gazaly Malek, 60, the first to be dealt with, was jailed for 20 weeks. Like Salleh, he wanted

to claim trial, but changed his mind before his trial began. Gazaly pleaded guilty to three charges of scheming to cheat.

Both men will start serving their prison terms on May 23.

The other two men, Saharudin Kassim, 54, and Abdul Ghani Tahir, 52, are awaiting trial.

The court had heard it was Saharudin, the secretary-general and, later, president of Majlis Pusat, who hatched the plan to inflate the submissions to four agencies to induce them to provide their maximum amount of grants.

The agencies included the Singapore Tourism Board and National Population and Talent Division.

Gazaly, Salleh and Ghani, then finance secretary of Majlis Pusat, each played a role in inflating the figures in invoices given by MCC and two other firms involved in the light-up in 2011 and 2012 – Lemonseed and Global Astir.

Lemonseed's directors were Ghani and Mr Nasir Aman, Majlis Pusat deputy president from 2011 to 2012. Global Astir is owned by Majlis Pusat.

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To defray the cost of the Light-Up in both years, Majlis Pusat Singapura applied for funding from four government-linked funding agencies, namely the Singapore Tourism Board, the National Population and Talent Division of the Prime Minister's Office, the then-Ministry of Community, Youth and Sports and the Singapore Totalisator Board.

Majlis Pusat Singapura was required to submit the income and expenditure statements of the Light-Up event with the supporting invoices to these funding agencies after the conclusion of the event, in order for the funds to be released.

Salleh Bin Sam (Salleh) was the manager of both MCC Events & Production and 7M Natural Sources. He conspired with Gazaly and two other office bearers of Majlis Pusat Singapura to falsely inflate the expenses and income information in the Majlis Pusat Singapura 2011 and 2012 submissions to the funding agencies. The deception enabled Majlis Pusat Singapura to obtain \$490,000 grant monies for the 2011 event, and \$424,511.33 grant monies for the 2012 event.

Gazaly and Salleh were convicted and sentenced to five months' imprisonment each for cheating and falsification of accounts offences. At the time of publication, the prosecution of the other two office bearers of Majlis Pusat Singapura is still ongoing.

PP V ANNIE SAHLAWATY BINTE MOHD SALLEH

From 2011 to 2015, Annie Sahlawaty Binte Mohd Salleh (Annie Sahlawaty) perpetrated multiple cheating scams, operating singly or in conspiracy with others, to deceive 76 victims into paying \$2.7 million to her or shell companies operated by her.

In one such scam, victims were told that they could recover monies from the termination of their existing timeshare memberships

or investments in overseas properties if they paid certain amount of fees. Annie Sahlawaty knew that the victims would not recover any money despite paying the fees. To bolster her credibility, Annie Sahlawaty showed the victims forged documents including letters purportedly issued by the Supreme Court or the Monetary Authority of Singapore which stated that they were required to pay a fee for the funds to be released. Annie Sahlawaty also pretended to be a lawyer when communicating with some of the victims.

Several victims were also deceived into making payments to Annie Sahlawaty for fictitious investments in wine and fictitious investments with a well-known financial institution, on the understanding that they would receive lucrative returns.

Annie Sahlawaty was charged with 167 counts of offences under the Penal Code, the Companies Act and the Legal Profession Act, including multiple cheating charges. She pleaded guilty to 20 of the charges, with the remaining charges taken into consideration for the purpose of sentencing. She was sentenced to 78 months of corrective training.

Following Annie Sahlawaty's conviction, four other accused have also been hauled to court for offences under the Penal Code and the Companies Act for their involvement in the cheating scams involving recovery of monies from the termination of timeshare memberships and investments in overseas properties. At the time of publication, their cases are still in court.

PP V LIM GUAN TEE

Lim Guan Tee (Lim) was an Airport Manager based at Changi Airport. He joined SATS in 1976. He was seconded to Asia-Pacific Star Pte Ltd (APS), a subsidiary of SATS, in 2009. In July 2014, he was the second overall-in-charge of operations in the airport. One of his duties was to run the Lost and Found office. Cash ticket sales by Tiger

Airways would be deposited in this office for safekeeping. The sales desk agent would seal the cash collected into polymer bags and hand them over to staff at the Lost and Found office. The staff at the Lost and Found office would record details of the bags received before putting them into a safe. Periodically, a third-party security company would collect the bags from the safe and report the amount of cash collected to the APS finance department.

Lim was supposed to follow up on differences between the cash collected by Tiger Airways counter and the amount recorded as cash sales.

Lim was usually not involved in collecting cash from the Tiger Airways counter. However, from 9 July 2014 to 10 October 2014, he used the pretext of checking the cash collected against the cash sales records to gain access to the bags. He either took the bags directly from the sales desk agents or from the staff at the Lost and Found office. However, records on the movement of the bags were not properly updated. The fraud was uncovered when APS found discrepancies between the amount reported by the security company and the amount recorded in APS records as cash sales.

During investigation, Lim said that he had taken the money to fund his gambling habit and to repay loans. He was convicted and sentenced to 42 months' imprisonment for misappropriating \$476,682.44 collected by Tiger Airways over a period of three months.

PP V ARNI BINTE AHMAD AND ANOTHER

On 21 December 2016, two former employees of the Singapore Statutory Board Employees' Cooperative Thrift and Loan Society Limited, Arni Binte Ahmad (Arni) and Hanati Binte Jani (Hanati), were charged with 467 and 275 charges respectively in relation to a multi-million dollar fraud on the co-operative.

Two staff jailed for taking \$5.1m from co-op for own use

They operated scam over five years, and used money for extravagant lifestyle

Elena Chong
Court Correspondent

Driven by greed, two employees of one of Singapore's oldest cooperatives treated its funds as their own personal expense account, defrauding it of more than \$5.1 million of members' savings.

In five years, the duo systematically abused their position of trust by reaching into its coffers to feed an "extravagant lifestyle" beyond their means, said the prosecution.

Yesterday, assistant manager Arni Ahmad, 42, who misappropriated funds and cheated the Singapore Statutory Boards Employees' Cooperative Thrift and Loan Society of \$4.3 million, was sentenced to 12 years in jail. She pleaded guilty to 20 charges, with 447 other charges taken into consideration.

Administrative executive Hanati Jani, 50, was jailed for nine years and eight months after admitting to 20 of 275 charges. The total amount involved in her case was \$1.95 million.

The overall amount was around \$5.1 million because of overlapping in several of their offences.

The co-op's members are employees of statutory boards – mainly from national water agency PUB and the Housing Board – Singapore Power and civil servants.

The co-op, founded in 1925, takes deposits and gives loans to members, who make monthly contributions of at least \$10 to specific deposit accounts.

Arni was promoted to assistant manager in January 2008, two



Assistant manager Arni Ahmad (left), who cheated the Singapore Statutory Boards Employees' Cooperative Thrift and Loan Society of \$4.3 million, was sentenced to 12 years in jail. Administrative executive Hanati Jani was jailed for nine years and eight months. The total amount involved in her case was \$1.95 million. The co-op (left) was founded in 1925, and its members are employees of statutory boards and civil servants.
ST PHOTO: DESMOND WEE

years after she joined the co-op.

Her duties included processing members' loans, deposits, withdrawals and keeping records of the movements of accounts. She was also in charge of processing payments for members who terminated their memberships and liaising with various parties on the monthly collection of members' subscription fees.

Hanati joined in 2008 and covered Arni's duties in her absence.

Investigations showed that between 2008 and 2013, they deceived the co-op into disbursing money to them by creating phantom members.

Among other things, they prepared false member termination letters, account movement records

and employee manifests, and made false loan applications, copies of identity cards and payslips to deceive the co-op into disbursing subscription fees and specific deposits and loans to phantom members' bank accounts.

The phantom members were their friends and relatives, who would be instructed by Arni and/or Hanati to withdraw and transfer or hand the money over to them.

They spent the money on, among other things, staycations at five-star hotels such as Amara Sanctuary Hotel and Rasa Sentosa Shangri-La Hotel, and gym memberships with personal trainers.

Arni went on vacations with her family to Europe and Malaysia,

made telegraphic transfers to Australia and Indonesia for her family's living expenses, rented a flat in Savannah CondoPark in Simei and splurged on home renovations.

Deputy Public Prosecutor Kenneth Chin called for a stiff deterrent sentence to reflect the magnitude of the wrongdoing.

They exploited internal processes to commit the crime for personal benefit, Mr Chin added.

In sentencing, District Judge Lim Tse Haw noted the aggravating factors, including the staggering losses, high level of premeditation and the sheer number of charges.

The women did not make any restitution.

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Cooperative puts in extra security measures

The cooperative which lost more than \$5.1 million to a pair of errant employees said it has turned to technology to tighten its financial processes.

The Singapore Statutory Boards Employees' Cooperative Thrift and Loan Society (SSBC) told The Straits Times: "Since the incident was discovered in 2013, it has been a difficult time for the cooperative. However, the continued support and unity of our stakeholders and especially our members saw us through this challenging period."

After the discovery of the lost

funds, the cooperative reviewed its internal procedures and put in additional security measures, including the use of technology such as two-factor authentication (2FA) and biometric recognition.

Members now have to log in to their accounts using these methods, such as with fingerprints. The cooperative did not respond to questions on how it intends to recover the lost money, and why the culprits were able to carry on with their scam over a period of five years.

Lim Min Zhang

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Between 2008 and 2013, Arni and Hanati submitted forged loan application forms, specific deposit withdrawal forms and member termination letters from phantom members to the co-operative, thereby deceiving the co-operative into disbursing monies amounting to over \$5 million. Arni and Hanati thereafter laundered the stolen monies through a network of money mules, which eventually channelled the funds back to both of them.

On 15 August 2017, Arni and Hanati pleaded guilty to cheating, forgery, conspiring to cheat, criminal breach of trust as a servant, conspiring to commit criminal breach of trust and money laundering charges. Arni was sentenced to 12 years' imprisonment

and Hanati was sentenced to nine years and eight months' imprisonment.

PP V CHOU LI CHEN

On 8 June 2016, Chou Li Chen (Chou), the director of Assobuild Pte Ltd and the finance manager of Interfam Pte Ltd, Virtuality Art & Entertainment Pte Ltd and Cap Investment Pte Ltd was charged in court with four counts of attempted cheating under the Penal Code, in relation to the Wage Credit Scheme.

The Wage Credit Scheme was introduced in 2013 by the Singapore Government to help companies and SMEs deal with rising costs by co-funding 40% of wage increases given to Singaporean employees earning

average monthly wage of \$4,000 and below. The scheme is administered by the Inland Revenue Authority of Singapore (IRAS). For the purpose of getting funds through this Scheme, Chou represented to IRAS that he had received wage increases of \$41,674 from each of the four companies in 2013. We are alleging that his representations to IRAS in relation to his wage increases are false, and were made in an attempt to get IRAS to give a total of \$66,680 to Assobuild Pte Ltd and the other three companies.

The two persons who were directors of Interfam Pte Ltd, Virtuality Art & Entertainment Pte Ltd and Cap Investment Pte Ltd have also been charged under the Companies Act for failing to use reasonable

diligence in discharging their duties, which allowed Chou to carry out the alleged offences. One of these individuals has already been convicted and sentenced to a fine of \$5,000.

At the time of publication, the case against the other company director and Chou is still in court.

PP V SETHO OI LIN

On 6 December 2016, Setho Oi Lin (Setho), a senior executive with Keppel Club's membership department was charged with 3,181 charges under the Penal Code and the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act for her involvement in selling phantom

| THURSDAY, JUNE 9, 2016 | THE STRAITS TIMES |

Businessman is first to be charged over fake Wage Credit claims



Chou, 69, allegedly tried to dupe the taxman into believing he had received substantial wage increases from four firms.

A businessman has been charged with four counts of attempting to deceive the Inland Revenue Authority of Singapore (Iras) into giving payouts under the Wage Credit Scheme.

Yesterday's prosecution is the first under the scheme, which was introduced in 2013 to help businesses cope with rising labour costs.

Chou Li Chen, 69, allegedly tried to dupe the Iras into believing that he had received a wage increase of \$41,674 each from four companies – Interfam, Virtuality Art & Entertainment, Cap Investment and Assobuild – in 2013.

Chou, who is represented by Mr S. Radakrishnan, is a director of Assobuild and financial manager of the four companies.

He is said to have dishonestly induced the Iras into paying \$16,670 to each of the four companies under the Wage Credit Scheme.

The three-year scheme, part of a support package, sees the Government co-funding 40 per cent of pay hikes to Singaporean employees. It has been extended to next year at a lower co-funding level.

Mr Radakrishnan told the court that he had just been engaged and needs to take full instructions and make representations.

If convicted, Chou could be jailed for up to five years and fined on each charge. The case will be mentioned on July 7. His bail of \$15,000 has been extended until then.

Elena Chong

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THE NEW PAPER Wednesday, November 9 2016

Senior exec allegedly sold fraudulent memberships to 1,341 buyers who became...

Keppel Club's 'phantom' members

Report by TAN TAM MEI
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She was the membership supervisor of Keppel Club, but over 10 years, Irene Setho Oi Lin, 69, allegedly sold fraudulent memberships to 1,341 buyers.

Setho, who turned up in court in a wheelchair yesterday, had purportedly deceived buyers into believing they were purchasing club memberships.

They then made payments to money mules who channelled the money to her.

The senior executive had also allegedly abetted her colleagues to make fraudulent entries in the club's membership system to create phantom memberships.

Yesterday, 60 out of 3,181 charges were tendered against Setho.

There were 20 charges each for cheating, falsification of records and receiving the benefits of criminal conduct, and the sum involved in the charges amount to \$393,800.

Court documents for the charges tendered said Setho would allegedly deceive buyers into thinking they were purchasing memberships from existing members and they would draw cheques ranging from \$14,500



IN COURT:
Setho turned up yesterday in a wheelchair, accompanied by two women.

PHOTO: SHIN MIN DAILY NEWS

to \$32,000.

She would purportedly abet two colleagues to make false entries in the club's membership database.

The buyers' names would be entered into the records without corresponding records of transfer of membership from existing members.

It was alleged that money mules would pass the money to Setho in cash.

SACKED

Deputy Public Prosecutor Kenneth Chin asked for four weeks' adjournment to tender the remaining charges before the next mention on Dec 6.

Setho is out on bail of \$300,000.

Setho, who started working at the club as a clerk in 1966, was sacked following the discovery of the supposed membership fraud two years ago.

Keppel is also suing Setho, four others, and two firms to account for the losses, estimated to be \$37.3 million. The civil suit is due to start in the High Court in July.

Among those being sued are Setho's husband Laurence Ng and her younger brother Philip Setho Wai Meng.

Setho has filed a counterclaim against the club for wrongful dismissal and lost wages.

memberships in Keppel Club to 1,341 buyers.

Keppel Club stopped selling new memberships in 1996. The only way to buy a Keppel Club membership since then was to buy it from an existing member. Setho is alleged to have cheated 1,341 persons into buying the club memberships from phantom members over a period of 11 years from 2004 to 2014.

Setho's then assistant in Keppel Club, Nah Hak Chuah, also faces 1,280 charges under the Penal Code, for creating false member records for the victims, despite knowing that their memberships were obtained from phantom members.

The victims had paid their membership fees to various individuals, who subsequently transferred the funds to Setho. One of these persons, Ivy Cheo Soh Chin, was charged with 303 counts of offence under the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act.

At the time of publication, the case against all three persons is still in court.

PP V SOH CHEE WEN AND OTHERS

In October 2013, the share prices of Blumont Group Ltd (Blumont), Asiasons Capital Ltd (Asiasons, now known as Attilan Group Ltd) and LionGold Corp Ltd (LionGold) crashed, wiping out more than \$8 billion in market value in just over three

Source: The New Paper © Singapore Press Holdings Limited. Permission required for reproduction.

days. The meteoric rise and fall in the prices of the three penny stocks shocked the market and left many investors reeling in its aftermath.

Following the collapse in share prices, the CAD commenced an investigation into suspected trading irregularities in the three penny stocks together with the MAS. The investigation covered extensive documentary evidence comprising over two million emails, half a million trade orders, and thousands of telephone records and financial statements.

On 25 November 2016, Soh Chee Wen (Soh) and Quah Su-Ling (Quah) were charged with 181 and 178 counts respectively for conspiring in a scheme to

manipulate the market for the shares of Blumont, Asiasons and LionGold between August 2012 and October 2013, and other offences under the Securities and Futures Act, the Penal Code and the Companies Act. They are accused of using over 180 trading accounts which belonged to 59 individuals and corporate nominees, to create an illusion of liquidity and demand for Blumont, Asiasons and LionGold shares by making thousands of manipulative trades in each of the three counters, and to control the supply of these shares available to the market so as to influence the price of these counters. They are also accused of conspiring to cheat financial institutions into extending more than \$170 million in margin financing to trading accounts controlled by them. Six charges were also tendered

against Goh Hin Calm, a key accomplice of Soh and Quah, for intentionally aiding the duo to create the false appearance with respect to the market for Blumont, Asiasons and LionGold shares.

On 28 February 2017, Soh was further charged with seven counts of witness tampering, bringing the total number of charges Soh is facing to 188.

The case is currently before the courts.

PP V TAY YEOW KEE

Tay Yeow Kee (Tay) was a senior officer in the Corporate Client Solutions Department of CIMB Bank Berhad (CIMB).

In 2011, CIMB acted as the financial

| THE STRAITS TIMES | SATURDAY, NOVEMBER 26

Alleged mastermind

John Soh Chee Wen

Soh was once one of Malaysia's biggest stock market investors, with links to Mr Ling Hee Liong, son of former Malaysian transport minister and former Malaysian Chinese Association president Ling Liong Sik.

Soh faces 181 charges under various sections of the Securities and Futures Act, the Companies Act and the Penal Code. The charges include:

- Six counts of conspiring to create a false appearance with respect to the market for the three companies' shares between Aug 1, 2012, and Oct 3, 2013.
- Four counts of conspiring to manipulate and support the trio's share prices shortly before they collapsed on Oct 4, 2013.
- Six counts of cheating financial institutions into extending credit to accounts he and Quah Su Ling controlled.
- 162 counts of giving instructions on the trading accounts without obtaining the financial institutions' consent.
- Three counts of being concerned in the management of Blumont, Asiasons and LionGold, while being an undischarged bankrupt.



John Soh Chee Wen faces 181 charges under the Securities and Futures Act, the Companies Act and the Penal Code. ST FILE PHOTO

Alleged girlfriend and fellow mastermind

Quah Su Ling

A former Ipco chief executive, Quah was among several parties sued over \$79 million in losses sustained by Interactive Brokers in the wake of the penny stock crash.

She is also allegedly Soh Chee Wen's girlfriend.

- She faces 178 charges:
- Six counts of conspiring to create a false appearance with respect to the market for the three companies' shares between Aug 1, 2012, and Oct 3, 2013.

- Four counts of conspiring to manipulate and support the three firms' share prices in August, September and October 2013 shortly before they collapsed on Oct 4, 2013.
- Six counts of cheating financial institutions into extending vast amounts of credit to accounts she and Soh controlled.
- 162 counts of giving instructions on the trading accounts without obtaining the financial institutions' consent.

Trio face 365 charges over penny stock crash

They are alleged to be responsible for largest market manipulation in Singapore

Grace Leong

The two alleged masterminds of the penny stock crash and their supposed key accomplice faced a total of 365 charges yesterday in what prosecutors call the largest market manipulation case in Singapore's history.

The charges levelled at John Soh Chee Wen and Quah Su Ling – who are alleged to be the two main players and face 181 and 178 charges, respectively – involve alleged violations of the Securities and Futures Act.

The pair are also in a romantic relationship, the court heard.

Goh Hin Calm, 57, was deemed their "key accomplice" and faces six charges. Soh, 56, Quah, 52, and Goh were all arrested on Thursday.

District Judge Terence Tay set bail for Quah at \$4 million and at \$750,000 for Goh. Soh was denied bail and remains in remand, pending a hearing on Dec 20. Goh and Quah were also in remand as they had not made bail as of last night.

The trio were charged in relation to a massive fraud to manipulate the shares of Blumont Group, Asiasons Capital – now called Attilan Group – and LionGold Corp between August 2012 and October 2013.

The three stocks surged between 150 per cent and 800 per cent in

less than nine months before losing most of their market value in just three days in October 2013, wiping out more than \$8 billion in value and triggering market panic.

The scheme involved exploiting over 180 trading accounts belonging to 59 individuals and corporate nominees to manipulate the shares.

The aim was to "create an illusion of liquidity and demand... by making thousands of manipulative trades in Blumont, Asiasons and LionGold and to control the supply of these shares" to influence prices.

Soh and Quah, the former chief executive of Ipco International, are accused of deceiving Goldman Sachs and US trading firm Interactive Brokers into extending more than \$170 million in margin financing that they used to finance the scheme.

Deputy Public Prosecutor Teo Guan Siew said Quah's cheating charges were the "most serious ever prosecuted in Singapore".

Quah, who is divorced with two children aged 19 and 25, is a Malaysian national with Singapore permanent residency. She is also an adjudged bankrupt. The DPP said she has "access to resources it will take to abscond, because of her close romantic relationship with Soh, her co-conspirator", adding: "They have been in an intimate relationship

for the past three years, and (she) lives together with Soh."

Lawyer Kevin Lim of Harry Elias Partnership, who is representing Quah, attacked the prosecution's claims of a romantic relationship, saying: "There is no evidence of that in the affidavit. It is a bare assertion."

"Even if she is in a relationship with Soh, which is not admitted, it is unlikely that she will sever her relationship with her children to be with Soh. (Singapore) has an extradition treaty with Malaysia... What would she be fleeing to?"

DPP Teo said Soh, whose passport was impounded, was still a flight risk as he had tried to travel to Malaysia last year but failed because his boat "malfunctioned".

The prosecution asked that bail for Goh, who was Ipco's interim CEO, be set at \$1 million, but his lawyer Nicholas Narayanan asked for a reduced sum as he was not a flight risk. He cited Goh's "history of severe coronary artery disease" and noted that his client, a Singaporean, did not reap personal gain from the share transactions.

DPP Teo argued that Goh had helped the alleged "masterminds" by "playing the role of treasurer".

"The massive fraud attracted the attention of international media. The loss of investor confidence and the harm to Singapore's reputation as a financial centre has been immeasurable and enduring," he said.

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Alleged key accomplice

Goh Hin Calm

Ipco's interim chief executive and former independent director of Annica Holdings and ITE Electric, Goh was among those asked by

the Commercial Affairs Department to assist in investigations starting in 2014.

He faces a total of six counts of

intentionally aiding John Soh Chee Wen and Quah Su Ling to create a false appearance with respect to the market for Blumont, Asiasons and LionGold shares between Aug 1, 2012 and Oct 3, 2013.

THURSDAY, FEBRUARY 23, 2017 |

Ex-forex traders jailed for cheating employers

Selina Lum

Two former foreign exchange (forex) traders who used the names of family members to set up trading accounts to cheat their respective banks with bogus US dollar trades were yesterday sentenced to jail.

Former HSBC senior dealer Ivan Chng Kian Wee, 48, was jailed 15 weeks while former Deutsche Bank spot trader Toh Hway Khuan, 51, was jailed eight weeks.

The pair, who had pleaded guilty in January, are the first to be convicted of offences under the Securities and Futures Act relating to fraudulent forex trades.

The two cases are unrelated but both men used the same method – using their respective banks' accounts to trade with themselves, at rates favourable to themselves instead of their employers.

It meant they bought currency at a rate that was lower than the prevailing rate or sold currency at a rate that was higher than the prevailing rate.

In November 2009, Chng made wrongful gains of about \$230,000 from 149 trades with a total transactional value of US\$778 million.

In the same month, Toh carried out 39 trades amounting to US\$257 million and made about \$140,000 in wrongful gains.

Prosecutors sought six months' jail for Chng and three months' jail for Toh, while the defence argued for fines.

Justice See Kee Oon said deterrent sentences are justified but noted there was no discernible market impact or significant damage to the banks' reputation.

Chng had opened an account with now-defunct brokerage MF Global in June 2006 in his wife's name.

He placed his personal orders using this account, instructing his broker on the exchange rate and quantity of currency he wanted to buy or sell.

After the orders were accepted, Chng would use HSBC's account – used to trade on behalf of the bank and its customers – to enter an opposite order at a similar rate and quantity to match his personal order.

Toh used a similar modus operandi with an account he set up, also at MF Global, in November 2006 – using the names of his brother and sister-in-law.

Chng and Toh did not disclose these accounts to their employers, even though internal rules required them to obtain prior approval for personal trading accounts, said Deputy Public Prosecutor Muhammad Imaduddin.

Toh's lawyer, Mr Lee Teck Leng, said his client has issued a cheque to the Accountant-General to disgorge his wrongful gains. Chng had to work as an Uber driver after being fired from HSBC, said his lawyer Thong Chee Kun.

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adviser to de-listing offers for SGX-listed companies – Qualitas Medical Group Ltd (Qualitas) and Leeden Ltd (Leeden). As the client coverage representative of Qualitas and Leeden, Tay was privy to information regarding the impending offers for the two companies before these de-listing offers were made public.

While in possession of such material non-public information, Tay procured his long-time friend, Cheng Hong Wee Eddy (Cheng), to purchase the shares of the two companies. Cheng purchased 157,000 shares in Qualitas and 549,000 shares in Leeden.

The share prices of both Qualitas and Leeden rose following the announcement of the respective offers, and the duo sold their shares, netting a tidy profit of \$60,000.

Tay was charged for six counts of insider trading under Section 219 of the Securities and Futures Act. On 26 May 2017, Tay pleaded guilty and was fined \$130,000.

PP V CHNG KIAN WEE IVAN AND ANOTHER

Ivan Chng Kian Wee (Chng) and Toh Hway Khuan (Toh) were forex traders of the Hong Kong and Shanghai Banking Corporation Ltd (HSBC) and Deutsche Bank (DB) respectively. As forex traders, Chng and Toh were responsible for quoting buy and sell prices of forex for the bank and its clients and conducting forex trades on behalf of their banks. These trades for the banks were conducted in accounts known as proprietary accounts. In conducting these trades for their banks, they could decide on whether to buy or sell forex, the volume of forex to buy or sell and either take the prevailing best bid or best ask price in the market or quote to buy or sell.

In 2009, Chng decided that, instead of trading for the benefit of HSBC, he would use the autonomy granted by the bank to benefit himself. He devised a scheme where he would use his personal forex trading account to trade against his bank's proprietary trading account. He would profit because the orders would be entered at rates favourable to himself rather than the bank. To avoid detection, Chng carried out his trades in an account under his wife's name. Toh employed similar tactics

on DB. He decided to use his personal forex trading account to trade against DB's trading account. He traded using an account that was opened in the joint names of his wife and brother.

In the month of November 2009 alone, Chng traded against HSBC on at least 149 occasions. In a typical instance, the USD/SGD was trading at a best bid of US\$1:S\$1.3960 and a best ask of US\$1:S\$1.3970 on the Reuters D2000-2 (an automated electronic matching system used for forex trading). Chng entered a personal order to sell US\$10 million at US\$1:S\$1.3970, which was ten pips higher than the prevailing best bid. He then used the HSBC's proprietary account to enter a series of orders to buy up USD/SGD, until the best ask price of USD/SGD on Reuters D2000-2 became US\$1:S\$1.3970. That allowed Chng to sell US\$10 million at ten pips higher.

Overall, Chng caused HSBC to trade with himself to the tune of US\$778 million. The profits he made as a result of these trades amounted to S\$258,100.

Daniel Toh caused DB to trade with himself to the tune of US\$257 million on 39 instances in the month of November 2009. His profits were S\$146,500.

Chng and Toh were investigated and eventually charged with 149 and 39 counts of offences respectively under Section 210 of the Securities and Futures Act in

2015. The prosecution proceeded with 25 and 13 charges against Chng and Toh respectively, with the remaining charges taken into consideration for sentencing. Both pleaded guilty to the charges.

In his oral judgment, Justice See Kee Oon said that Chng and Toh had concealed ownership of the accounts from the banks and engineered a means to profit from their personal trades. They made "substantial six-figure" gains through dishonest means and deliberate deception of the banks, abusing the authority entrusted to them. Chng was sentenced to 15 weeks' imprisonment, while Toh was sentenced to eight weeks' imprisonment.

PP V KELVIN HAN HOW YONG

On 23 November 2016, Kelvin Han How Yong (Han) was charged in court for carrying on a business in fund management without a Capital Markets Services licence under Section 82 of the Securities and Futures Act.

It is alleged that from October 2011 to May 2015, Han had been involved in the management of V3GO Investment Pte Ltd, a company which offered courses in forex trading and investment techniques. He is further alleged to have engaged in financial investments for his students when he did not possess the necessary licence to do so.

Being an undischarged bankrupt, Han had to seek permission from the Official Assignee to manage the business, which

he allegedly did not. Another charge under Section 148 of the Companies Act was preferred against him for managing V3GO Investment Pte Ltd as an undischarged bankrupt.

At the time of publication, the prosecution is still ongoing.

PP V LEE CHANG YEH BENTLEY

From August 2005 to January 2010, Lee Chang Yeh Bentley (Lee) was under the employment of United Overseas Bank. As a Relationship Manager, his role was to promote financial products to the bank's clients.

Sometime in May 2009, Lee took on the role of managing a sole proprietorship, United Overseas Investment Management (UOIM). Between May 2009 and June 2012, he sold UOIM's investment products to the bank's clients. Despite being entrusted with the clients' monies for investment purposes, Lee misused a total of \$524,807.81 for his personal expenses.

On 28 August 2017, Lee was convicted of criminal breach of trust as an agent and carrying on a business in fund management without a Capital Markets Services licence. At the time of publication, Lee's sentencing is pending.

FINANCIAL INVESTIGATION GROUP



FRONT ROW (Seated): **Kevin Han**, Assistant Director, Financial Investigation Division III, **Cheung Siu Wing**, Assistant Director, Commercial Crime Division, **Ian Wong**, Deputy Director, Financial Investigation Group, **Jasmine Cher**, Assistant Director, Policy & Operations Division, **Lee Wee Kiang**, Assistant Director, Financial Investigation Division I

BACK ROW (Standing): **Abdul Rani**, Head, Insurance & Specialised Fraud Branch, **Steven Tan**, Head, Payment System Fraud Branch, **Fong Wai Kit**, Head, Financial Investigation Branch III, **Sharon Xie**, Head, Asset Confiscation Branch, **Leow Yan Yun**, Head, Financial Investigation Branch II, **Nio Yin Chun**, Head, International Cooperation Branch, **Chew Jingwei**, Head, Syndicated Fraud Branch, **Richard Wong**, Head, Financial Investigation Branch I

NOT IN PICTURE: **Yolanda Yu**, Head, Financial Crime Policy & Operations Branch, **Chew Wan Lin**, Head, Anti-Money Laundering Policy Branch

REPORT BY FINANCIAL INVESTIGATION GROUP

The Financial Investigation Group (FIG) comprises of five divisions: Financial Investigation Divisions I, II and III, Commercial Crime Division and the Policy and Operations Division. The Financial Investigation Group investigates into five main clusters of commercial crime. These are money laundering, terrorism financing, fraud involving employees of financial institutions, fraud by organised crimes syndicates, and false or non-declarations of cross border movement of cash. The FIG is also responsible for law enforcement policy in relation to money laundering and terrorism financing matters.

Year in Review

2016 was another very busy year for the FIG. We continue to handle a heavy workload, and have a lot of positive outcomes to show for our efforts.

FATF/APG Mutual Evaluation

The year saw the publication of a report by the Financial Action Task Force (FATF)/Asia Pacific Group on Money Laundering (APG) on their Mutual Evaluation of Singapore. Singapore was assessed to have a strong legal and institutional framework to fight money laundering and terrorism financing (ML and TF). Singapore's anti-money laundering and counter-financing of terrorism (AML/CFT) coordination is highly sophisticated and inclusive of all relevant competent authorities. The assessors felt that relevant authorities in Singapore are able to successfully investigate and prosecute domestic ML and TF cases and encouraged Singapore to further strengthen its investigative and prosecutorial actions on foreign predicate ML cases.

One recommendation was for Singapore to pursue more complex ML cases in line with its risk profile, including targeting intermediaries and professional money launderers. While the CAD will continue to target all ML cases, our focus will be on the more complex types of ML cases involving professional intermediaries and to charge these money launderers in court. One such case was in fact investigated during the FATF assessment period and we had brought charges against four bankers who had acted as professional intermediaries.

Prosecutions

Our annual report last year mentioned two important prosecutions. The first involved a Corporate Service Provider who failed to exercise reasonable diligence in discharging his director's duties and for money laundering offences. He

was convicted, and he appealed against his convictions and sentences. The High Court upheld his conviction but allowed in part his appeal against sentence. His sentence was reduced to 12 months' imprisonment, but with an additional fine of \$50,000 imposed. This case serves as a timely reminder that local resident directors must be vigilant while providing their services to their clients as non-executive directors. Local resident directors have important responsibilities and duties which they must discharge with reasonable due diligence.

In the case of Chinpo Shipping Company (Private) Limited, the High Court set aside the conviction under Regulation 12 of the United Nations (Sanctions – Democratic People's Republic of Korea) Regulations 2010. It clarified the limits within which legislations like Regulation 12 were to be interpreted. The High Court cautioned against adopting too broad and over-inclusive an interpretation of Regulation 12 as that would have the effect of prohibiting all financial dealings with the Democratic People's Republic of Korea (DPRK) generally rather than targeting those that may reasonably be used to contribute to the nuclear-related programs and activities of the DPRK. Despite this, the High Court upheld the conviction and maximum fine imposed in respect of the offence under the Money-Changing and Remittance Businesses Act which remains an important piece in Singapore's AML/CFT framework. We remain committed to our responsibility to implement the United Nations Security Council Resolutions.

We achieved another important milestone in 2016. Six Bangladeshi nationals were convicted for raising funds to facilitate terrorist acts in Bangladesh. This is the first prosecution under the Terrorism (Suppression of Financing) Act since it came into force in 2003. The case demonstrates our firm commitment to take robust action under our laws against anyone involved in terrorism financing, even if the funds were not intended for terrorist acts in Singapore.

During the year, the FIG continued our investigations into a high profile transnational case involving suspicious large fund inflows to Singapore. BSI Bank Limited and Falcon Private Bank Ltd had their licenses withdrawn by the Monetary Authority of Singapore (MAS) for serious breaches of AML/CFT requirements and weak financial controls. Individuals involved were also swiftly prosecuted; such as former BSI Singapore banker, Yeo Jia Wei, who was convicted of money laundering, cheating and obstruction of justice offences.

Efforts were also not spared in other commercial crime cases. 16 counterfeit credit card syndicate members were prosecuted in 2016 for credit card fraud. Most of the court cases had been concluded and the sentences ranged from 14 to 54 months' imprisonment. To ensure that we continue to deter those involved in motor insurance frauds, we stepped up our efforts to prosecute such fraudsters, with 66 persons being charged in 2016 - up from 60 persons in 2015.

Effective Local and Foreign Partnerships, Continued Community Outreach

Transnational crimes have been made easy with extended reach via online facilities. The FIG has been at the forefront with other Police departments in furthering the efforts in public education and outreach to create awareness on the evolving scam tactics and frauds. It has also been working closely with both local and foreign law enforcement counterparts to crack down on overseas syndicates targeting Singaporeans.

The close relations we have with the authorities of the People's Republic of China played a substantial role in crippling several credit-for-sex scam syndicates based in Mainland China. Major operations held in 2016 by the Chinese authorities rounded up at least 140 suspects in connection with new criminal syndicates targeting Singapore citizens. The other success in international cooperation that we had was with the Royal Malaysia Police concerning the Internet love scams in early 2017. The operation resulted in the concurrent investigation of suspects in Malaysia as well as money mules in Singapore. We have also been working hand in hand with the Royal Malaysia Police and EUROPOL with an aim to disrupt and cripple counterfeit credit card syndicates. Collaboration between the FIG and the CAD's strategic partner, the Card Security Group, had also proved to be effective in countering credit card fraud.

On the domestic front, we contributed to the launch of the Anti-Scam Helpline on 20 November 2016 to encourage members

of the public to call relevant authorities to seek advice on scams. Over the year, there were also increased engagements by the Police with convenience stores to train staff deployed at cash counters to keep a vigilant look-out for victims of scams, coupled with the prominent display of crime advisories in convenience stores. These collective efforts have contributed to a decline in cases of credit-for-sex scam by 33% in the past year.

We are pleased to report that we have noted a decline in reported motor insurance frauds in 2016. This is attributable to the FIG's close collaboration with the MAS, the Attorney-General's Chambers, the General Insurance Association and the various insurance companies in Singapore. However, we are minded to remain vigilant as we continue to engage the stakeholders in the motor insurance industry to detect new modus operandi and deter the entrants of new syndicates.

Looking Forward

The FATF Mutual Evaluation report made some recommendations on improvements to Singapore's AML/CFT regime and we are committed to attaining these goals.

The FIG is constantly keeping abreast of Singapore's current AML/CFT situation. While we have achieved success in our fight against money mules and other fraud types, we endeavour to deepen our investigation expertise to combat the increasingly complex transnational ML and TF related crimes. We will also more proactively target and pursue confiscation of criminal proceeds, in particular those transferred from overseas. This is evident from our seizures of approximately \$164.5 million from foreign predicate offences in 2016.

Financial crime typologies are not static and evolve with time. We aim to see a more collaborative approach amongst the law enforcement agencies, regulators and various industries to identify, assess and mitigate the risks faced by Singapore, thereby contributing towards our vision of making Singapore a trusted place for business and finance.

Ian Wong
Deputy Director
Financial Investigation Group

CASE HIGHLIGHTS OF FINANCIAL INVESTIGATION GROUP

PP V MIZANUR RAHMAN AND OTHERS

In April 2016, the Internal Security Department detained eight radicalised Bangladeshi nationals under the Internal Security Act. Investigations by the CAD revealed that the detainees had formed a clandestine group named "Islamic State in Bangladesh". The group had intended

to partake in terror activities to establish Bangladesh as an Islamic state and to bring it under the caliphate of the Islamic State in Iraq and Syria. The leader of the group had solicited donations to finance the group's activities in Bangladesh. The members contributed a total of \$1,360 to the cause. These monies were seized during the investigation.

In May 2016, six of the detainees were charged with offences under the Terrorism (Suppression of Financing) Act. It was the first prosecution under the Act since it came into force in 2003. All six detainees pleaded guilty to the charges. They were sentenced to imprisonment terms ranging from 24 to 60 months for their role in collecting, providing and possessing money to facilitate a terrorist act in Bangladesh.

THE STRAITS TIMES | SATURDAY, MAY 28, 2016



The six Bangladeshi workers charged are (clockwise, from top left) ringleader Rahman Mizanur, 31; Miah Rubel, 26; Md Jabath Kysar Haje Norul Islam Sowdagar, 31; Sohel Hawlader Ismail Hawlader, 29; Zzaman Daulat, 34; and Mamun Leakot Ali, 29. PHOTOS: MINISTRY OF HOME AFFAIRS

Suspects taken to court amid tight security

Just before 2pm yesterday, a convoy of three armoured trucks turned off Havelock Road and rumbled into the State Courts building.

With motorcycle outriders, police cars and armed Gurkha guards in tow, the six Bangladeshi men charged with financing terrorism arrived at the courthouse.

The suspects are the first to be charged under the Terrorism (Suppression of Financing) Act since it was passed in 2002.

They were among eight Bangladeshi men, who called themselves the "Islamic State in Bangladesh", arrested between late March and early last month.

In Court 26 yesterday, each man emerged in public for the first time since being detained.

In that time, they have been investigated by the Commercial Affairs Department. Now they are clean-shaven, without the beards that they had in the pictures previously released to the media.

Dressed in purple garb, with the word "Detainee" emblazoned across their chests, each man was cuffed and shackled, and accompanied by at least a pair of Gurkha officers in the dock. They were taken out in pairs, and the charges were read to them in Bengali.

One by one, the men - who showed no discernible emotion - told the court that they intend to plead guilty. The only exception was Mamun Leakot Ali, 29, the last



A police armoured truck arriving at the State Courts building yesterday. It was among a convoy that took six Bangladeshi men charged with financing terrorism to court. They are the first to be charged under the Terrorism (Suppression of Financing) Act. ST PHOTO: ONG WEE JIN

to be charged. He cocked his head to the side as the charges were read to him. He stood accused of contributing \$500 and collecting funds of \$300 for terrorist acts. He denied contributing money to the

Islamic State in Bangladesh.

Court documents show the money handled by the six men changed hands in places such as Jurong Shipyard, Woodlands Waterfront Park and Boon Lay Park.

Mamun will appear in court on June 9 for a pre-trial conference. The other five are expected to plead guilty at a court hearing on Tuesday.

Danson Cheong

PP V VLADIMIR MAIDIN

Vladimir Maidin (Vladimir), an Estonian, was the sole director and shareholder of Empress Diamond Int'l Inc (Empress Diamond), a company incorporated in the British Virgin Islands in 2013. Despite Empress Diamond having no apparent business activities in Singapore, Vladimir visited Singapore in August 2013 and opened two local corporate bank accounts in the company's name. He was the sole authorised signatory for the accounts. He departed from Singapore shortly after opening these accounts.

In January 2015, one of the local bank accounts received a sum of about US\$196,981 alleged to have been fraudulently transferred from the bank account of a victim of cyber fraud in the United States. Swift action was taken to seize the bank account before any withdrawal could be made.

In June 2015, Vladimir came back to Singapore. He was subsequently stopped at Tuas Checkpoint when he attempted to leave. Investigations revealed that after the tainted funds were credited into Empress Diamond's bank account, he had attempted to transfer them to a bank account in Latvia via internet banking while he was overseas.

On 26 August 2016, Vladimir was convicted and sentenced to 12 months' imprisonment for acquiring property representing benefits from criminal conduct under Section 47(3) of the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act.

PP V MOK CHWAN YEE

Mok Chwan Yee (Mok) was a former Mobile Personal Banking Executive with the United Overseas Bank (UOB). During his time, UOB paid referral commissions to real estate agents who referred customers for successful property loan applications. These customers had to furnish the particulars of their real estate agents in the application forms. If there was no referral for a particular applicant, Mok was required to cross out the relevant section on the form. Between

THE STRAITS TIMES | FRIDAY, MAY 13, 2016

Former bank exec jailed for cheating UOB

A former mobile personal banking executive who conned his bank into giving \$84,500 in referral commissions to a housing agent was sentenced to 14 months' jail yesterday.

Malaysian Mok Chwan Yee, 35, named Mr Tan Jeok Kiow as the referring agent of clients applying for housing loans on 40 occasions when they had no referring agent.

United Overseas Bank pays referral commissions to property agents who refer customers to apply successfully for property loans, said Deputy Public Prosecutor Muhammad Imaduddin.

In their arrangement, Mr Tan would then withdraw the commissions and hand them to Mok. After the bank terminated Mok's services in May 2007, he left for Malaysia. He was arrested in Kuala Lumpur in September last year.

His lawyer, Mr Winston Quek, said in mitigation that Mok, who has two young children, had made full restitution to the bank.

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August 2006 and May 2007, Mok had colluded with a real estate agent to defraud the bank of agent referral commission for property loans. On 40 occasions, Mok colluded with the real estate agent to indicate the latter as the referring agent on applications with no referring estate agents.

The referral commission payments were paid to the real estate agent. After receiving the monies, he withdrew the monies in cash and handed them to Mok. Mok had fraudulently received referral commissions totalling \$84,504.61.

Mok was arrested in Malaysia in September 2015. On 12 May 2016, he was sentenced to 14 months' imprisonment for cheating UOB.

PP V HONG JINGGUO

Hong Jingguo (Hong) was a Customer Service Officer at the call centre of a domestic bank. Part of his job responsibilities involved handling customers' call requests such as increasing credit card temporary credits.

In June 2014, Hong used the accounts of two call centre team managers to increase the temporary credit limits of his own credit cards from \$15,000 to \$106,500. Hong also made unauthorised credit balance refunds of \$9,300 on his credit cards.

With the increased credit limits, Hong purchased gold bars and immediately sold them for \$30,150. Hong used the cash and credit balance refunds to finance his gambling habit and to pay off the debts he owed to banks and unlicensed moneylenders. He also used the increased credit limits to purchase \$65,834.08 worth of casino chips, which he subsequently used for gambling in overseas casinos.

In October 2016, Hong was convicted and sentenced to 41 months' imprisonment for the unauthorised modification of computer materials on a protected computer under the Computer Misuse and Cybersecurity Act, and the conversion of property representing his benefits from criminal conduct under the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act.

PP V MOFIZUL ISMAL

On 25 July 2016, Hossain Jamal (Hossain) entered Singapore from Malaysia at Woodlands Checkpoint. He was carrying two backpacks containing various currencies totalling \$619,580.27. He failed to declare the cash to the

Yang Yin case

Six years' jail for taking \$1.1m from widow

Judge says ex-tour guide bamboozled elderly victim into entrusting him with the money



Yang had preyed on the vulnerability of Madam Chung, said Principal District Judge Bala Reddy.

Carolyn Khew and Toh Yong Chuan

With his hands cuffed behind his back and his ankles shackled, Yang Yin was seen shaking yesterday as a judge described how the former tour guide had "bamboozled" an elderly widow into entrusting him with \$1.1 million.

The 42-year-old Chinese national was sentenced to six years in jail – on top of the 26 months he received on Thursday for a slew of offences related to creating a sham business to gain permanent residency.

Yesterday's sentence came after he pleaded guilty in August to two criminal breach of trust charges for misappropriating \$500,000 and \$600,000 on two separate occasions from 89-year-old Madam Chung Khin Chun.

Her niece, Madam Hedy Mok, 62, frowned when the jail sentence was passed and later told The Straits Times it was "too light, too lenient".

Yang stood nervously in silence next to a court interpreter as Principal District Judge Bala Reddy took about 30 minutes to read out his grounds of judgment.

He said Yang had preyed on the vulnerability of Madam Chung, and embarked on his "criminal enterprise" shortly after he came to live in Singapore in 2009.

"Preying on the vulnerability of an elderly lady, very advanced in age, the accused bamboozled Madam Chung into entrusting him with substantial sums of monies for purposes that he never intended to fulfil," said Judge Reddy.

Yang had met Madam Chung in 2008 when he acted as her private tour guide during a trip to Beijing. The widow, whose husband died in 2007, is childless and was diagnosed with dementia in 2014.

Some time around January 2010, Yang persuaded her to purchase a horse painting by renowned Chinese artist Xu Beihong. She then agreed to entrust him with a sum of half a million.

The painting, however, was never bought. Yang procured a fake painting and a falsified receipt to cover up his wrongdoing.

Yang likewise procured two falsified receipts that showed he had purchased five paintings for close to \$600,000 in 2012.

Judge Reddy said the sentence meted out must be one that reflects the total amount of money misappropriated, as well as one that takes into account various aggravating factors in the case.

The jail term of 10 to 12 years that the prosecution asked for would be "particularly crushing", said the judge, citing past cases in which the jail terms handed out were lower than that even though larger amounts were misappropriated.

Yang's lawyer, Mr Irving Choh, said his client was "relieved" at yesterday's outcome.

Madam Chung and her niece arrived in court with six friends and neighbours yesterday. Many, including Madam Mok, left feeling disappointed with the outcome.

"What he stole was not only money... he actually took away her dignity," the travel agency owner told reporters outside the court house. "He didn't do what he was supposed to do, (that is) look after her. He didn't do that... he didn't look into her welfare and it's totally disappointing."

Asked if the prosecution would be appealing, a spokesman for the Attorney-General's Chambers said the prosecution will study the full written grounds of decision before deciding on the next appropriate course of action.

Both the prosecution and Yang's lawyer have 14 days to file the notice of appeal.

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VIDEO
Madam Hedy Mok says she is disappointed with the sentence
<http://str.sg/4N25>

Madam Mok and her aunt, Madam Chung, making their way to court yesterday. Madam Mok said she did not know the full extent of what Yang Yin had done "until it was too late".
ST PHOTO: JAMIE KOH

Widow's niece regrets not acting earlier

It was in 2009 when Yang Yin first moved into Madam Chung Khin Chun's sprawling Gerald Crescent bungalow, going on to trick the 89-year-old widow into handing over more than a million dollars.

But it was only five years later that her niece, Madam Hedy Mok, found out what he was up to, evicted him from the home and went to the police – leading to Yang yesterday being sentenced to six years' jail for criminal misappropriation.

Still, it was bittersweet for Madam Mok. "I regret not acting

against him earlier," she told The Straits Times. "I did not know (the full extent of) what he had done until it was too late."

Madam Mok became embroiled in the saga in early 2014, when she visited her aunt during Chinese New Year with her mother, Madam Doris Chung. Madam Doris Chung noticed that her sister's memory was failing and asked her daughter Hedy to take her sister to a doctor.

Madam Chung was subsequently diagnosed with dementia and Madam Mok applied to be her aunt's

guardian in June. That was when she discovered that her aunt had already granted Yang, a former China tour guide, legal powers in 2012 to have full control over her assets estimated to be worth \$40 million, including her bungalow. The legal powers were revoked in November 2014, after Madam Mok applied to the court to have the Lasting Power of Attorney cancelled.

When asked if she should have visited her aunt more often, Madam Mok said, "She is a private person." She knew that Yang was living in the bungalow but he had avoided meeting family members each time they visited, she said. After finding out that he had gained control of the widow's financial matters, she evicted him, his wife and two children from the bungalow.

Madam Mok, 62, who runs a tour agency, then took in her aunt to live with her in her semi-detached house in East Coast. Madam Chung has been living there since August

2014. The widow now spends her days reading newspapers in the morning and swimming in the afternoon. She also has a full-time maid to attend to her needs.

In court yesterday, Madam Chung, a retired physiotherapist, appeared oblivious to the proceedings. She closed her eyes during most of the trial. When asked by reporters how she felt about the outcome, she replied: "I don't know."

Madam Mok said she plans to sell the Gerald Crescent bungalow and use the proceeds for her aunt's upkeep. "The rest will go to charity according to her will," she added, although she has not decided when and how to sell the house.

When asked if she would miss the Gerald Crescent bungalow if it is sold, Madam Chung said: "Of course I will miss it. I lived there a long time. But Hedy's house is my home now."

Toh Yong Chuan and Carolyn Khew

How judge decided on six-year term

In his 22-page grounds of judgment, Principal District Judge Bala Reddy explained in detail how he decided on a jail term of six years for Yang Yin's criminal breach of trust offences.

He took into account aggravating factors submitted by the prosecution, which had asked for 10 to 12 years' jail for Yang.

These include how Yang had betrayed the trust of 89-year-old Madam Chung Khin Chun by capitalising on her age and lack of immediate familial support to foster

"an environment of unquestioning trust" with the widow.

The judge said: "Throughout the material time, the accused's actions were the subject of what amounted to absolute trust, free from the scrutiny of the eyes of outsiders."

He also said he gave "little credit" to Yang's plea of guilt. "The trial had gone on for 12 days and it was during the accused's cross-examination that he decided to plead guilty," he wrote.

Yang first indicated he wanted

to plead guilty in July before changing his mind weeks later to claim trial. A month later, he pleaded guilty.

The judge yesterday also raised another point made by the prosecution – that a deterrent sentence is needed to send a clear message that those who misuse funds entrusted to them by the vulnerable will be severely dealt with.

A deterrent sentence, however, need not be "crushing", Judge Reddy said, explaining that 10 to 12 years' imprisonment would be

"manifestly excessive".

Even though the accused had virtually depleted the widow's liquid assets of about \$2.7 million in early 2010 to less than \$10,000 as of Aug 30, 2014, this should be viewed in the right perspective.

This is because Yang had pleaded guilty only to misappropriating \$1.1 million from the widow. "This court could only sentence the accused to what he had pleaded guilty," he said.

Carolyn Khew

authorities even though its value far exceeded the prescribed amount of \$20,000, and he was stopped at the checkpoint.

Investigations revealed that Hossain was carrying the cash on behalf of his cousin, Md Mofizul Ismal (Mofizul). Mofizul ran a gold and electronics trading business in Bangladesh. He intended to use the cash to purchase gold bars, jewellery and electronic products in Singapore, and sell the items in Bangladesh. Hossain was unaware that the backpacks contained cash.

Mofizul was charged for abetting Hossain to fail to give a full and accurate report about cross border movement of cash into Singapore, an offence under Section 48C(1) of the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act. He was sentenced to a fine of \$8,000.

PP V YANG YIN

Yang Yin (Yang) is a former Chinese tour guide who was invited by a wealthy elderly widow, Kathleen Chung (Chung) to live with her in Singapore sometime in 2008. Instead of caring for Chung's well-being, Yang coaxed her into entrusting him with substantial sums of money for purposes which he never intended to fulfil. Since 2010, Chung's liquid assets of about \$2.7 million were systematically withdrawn over a period of four years. She also willed her

property, valued at about \$30 million, to Yang.

Investigations revealed that Yang had set up a music and dance company to show immigration authorities that he had gainful employment in Singapore to secure citizenship. He had falsified hundreds of receipts to give the false impression that his company was generating revenue when it was merely a shell. In the process, he duped government agencies into approving his permanent residency.

Further investigations also revealed that Yang had misappropriated at least \$1.1 million from Chung for his own use. Yang was eventually charged with 349 counts of various offences under the Penal Code, the Companies Act and the Immigration Act. He had claimed trial but eventually faced the brunt of insurmountable evidence. Yang subsequently pleaded guilty during the course of the criminal trial and was sentenced to 98 months' imprisonment in September 2016.

PP V DON BRENDAN ROBERT

In August 2014, Don Brendan Robert (Don) was investigated by the CAD for his involvement in an inheritance scam. Don, who is also an undischarged bankrupt, had repeatedly lied to his friend, Alan Lye Cher Kang (Lye) that he was entitled to a massive inheritance worth over \$30 million. Don claimed that the monies had been seized by

the government, and requested Lye for loans to pay fictitious administrative and legal fees to various government agencies and banks for the release of the monies. He had promised Lye a cut of the inheritance.

Over a period of almost three years, Don came up with numerous tall tales to convince Lye to deliver cash to him to unlock his non-existent inheritance. Lye started borrowing extensively from a friend, Bay Lim Piang, in order to lend more money to Don. In total, Don received at least \$2.36 million.

Don spent the ill-gotten gains repaying his debts to unlicensed moneylenders. He had also used the monies to live a lavish lifestyle, which included renting a BMW car for \$300 a day. He pleaded guilty to 25 cheating charges in July 2016, with the remaining 425 charges taken into consideration for the purpose of sentencing. He was sentenced to seven years' imprisonment.

PP V KWAN KAH YEE

In a first ever investigation of its kind, the CAD investigated a medical practitioner, Kwan Kah Yee (Kwan), for signing false death certificates. Investigations revealed that Kwan had falsely certified the causes of death for two deceased persons in March 2010 and March 2011. He knew that the causes of death which he had stated were false and inaccurate.

SATURDAY, APRIL 16, 2016 | THE STRAITS TIMES

Kwan pleaded guilty to three charges: signing a false death certificate, fabricating evidence for a Singapore Medical Council probe, and furnishing false information to the police.
ST PHOTO:
WONG KWAI CHOW



Suspended doc in false death cert case guilty of 3 charges

Amir Hussain

A 65-year-old general practitioner barred from practice for wrongly stating two patients' causes of death was yesterday convicted of criminal charges in a district court.

Kwan Kah Yee, a former medical director of Ren Ci Hospital, pleaded guilty to three charges: signing a false death certificate, fabricating evidence for a Singapore Medical Council (SMC) probe, and furnishing false information to police.

The former president of the Singapore Society for Clinical Hypnosis admitted to two other similar charges. These will be taken into consideration in sentencing on April 29.

The court heard that on March 29, 2011, Kwan went to Ms Siti Mariam Mohd Salleh's home in Teck Whye Lane at the request of the Sin-

gapore Casket Company, which had been informed of her death by her husband Sariffudin Mazlan.

Kwan was then practising at Superbity Hospice in Peninsula Plaza and was paid about \$250 for each certificate of death he issued.

He issued one to state that 32-year-old Ms Siti's cause of death was "ischaemic heart disease", when he knew this was false. There were no electrocardiogram (ECG) reports, or other evidence of this.

On Dec 10 that same year, after the SMC started investigations based on a complaint by Ms Siti's foster sister, which was not elaborated on in court, Kwan asked Mr Sariffudin to sign a letter, to be used for the probe. Among other things, it said Ms Siti had been treated for ischaemic heart disease since May 2007, and Mr Sariffudin wanted the probe to end to prevent his wife's

confidential information from being disclosed.

Although he did not agree with the letter, Mr Sariffudin signed it as he trusted Kwan, Deputy Public Prosecutor Hon Yi told the court.

But in October 2014, the SMC's disciplinary tribunal suspended Kwan for three months, after he pleaded guilty to two charges of professional negligence relating to the wrong death certificates of Ms Siti and Mr Gareth Tan Soon Poh, 26.

Kwan had issued a death certificate in Mr Tan's Dublin Road home on March 29, 2010, stating his causes of death as "bronchiectasis" and "chronic obstructive airway disease", without any proof of this.

The SMC appealed to the Court of Three Judges, which in July last year raised Kwan's suspension to three years. He was also ordered to pay \$6,000 in legal costs to the SMC.

The three judges – Chief Justice Sundaresh Menon, and Judges of Appeal Chao Hick Tin and Andrew Phang – also said they were "deeply disturbed" by the case, and, in a rare move, had asked the Attorney-General to consider investigating it.

Among the issues that should have been raised: Kwan's incentive in falsely certifying the deaths.

Police began investigations last July, and asked Kwan to produce his medical records and case notes. But he gave false case notes which recorded, among other things, that Ms Siti's ECG reports and abnormal blood test results had been shown to him by Mr Sariffudin. He also falsely recorded Mr Sariffudin as saying Ms Siti had complained of chest pain in 2007, and that she was treated in hospital several times.

In an earlier case, Kwan had been suspended for three months, fined \$5,000 and censured by the SMC for wrongly stating a patient's cause of death in 2009 as "congestive cardiac failure", which is not an acceptable cause of death.

The patient's daughter had filed a complaint against Kwan, as the family was making an insurance claim.

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Kwan had also fabricated evidence during the Singapore Medical Council's inquiries into his alleged misconduct in respect to the false certifications. In a bid to induce the Singapore Medical Council to discontinue the disciplinary proceedings, Kwan crafted a letter for the next-of-kin of one of the deceased persons to sign. The contents in this letter were false. When Kwan was asked to produce his case notes relating to the two deaths to the CAD, he created case notes with false information.

In July 2016, Kwan pleaded guilty to signing false certificates, furnishing false information and fabricating evidence. He was sentenced to nine months' imprisonment.

PP V SASI KUMAR LAKSHMANAN

Sometime in July 2016, Sasi Kumar s/o Lakshmanan (Sasi Kumar) used a newly purchased printer in his home to make four copies of a Singapore \$100 note. He then went to a coffee shop and used one of the counterfeit notes to purchase two packets of cigarettes for \$21.80 and was given \$78.20 worth of change. His misdeed was later detected by the supervisor of the coffee shop, who reported the matter to the Police.

Officers from the CAD traced Sasi Kumar and arrested him. The said printer was seized together with paraphernalia used to prepare the counterfeit notes. Sasi Kumar admitted that he had also tried to use another counterfeit note at a convenience store near his home. However, the note was rejected by the convenience store after the shopkeeper suspected the note to be a counterfeit.

Sasi Kumar was charged for offences under Sections 489A, 489B and 489D of the Penal Code. On 24 November 2016, he was sentenced to three-and-a-half years' imprisonment.

| THE STRAITS TIMES | FRIDAY, NOVEMBER 25, 2016 |

Man in debt to loan sharks jailed for making fake notes

Elena Chong
Court Correspondent

Broke and indebted to loan sharks, Sasi Kumar Lakshmanan decided to print fake currency notes for use.

Yesterday, the 29-year-old was jailed for 3½ years for using a fake \$100 note to pay for cigarettes. He had also created a counterfeit \$50 note.

Deputy Public Prosecutor Magdalene Huang said Sasi Kumar decided to print some counterfeit currency notes as he was in financial difficulty and owed loan sharks more than \$5,000.

On July 11, he took a \$100 note and placed it on a printer. He realised the colour of the photocopied \$100 note was almost the same as the genuine one. To make it more accurate, he adjusted the colour of the photocopied \$100 note.

After five or six tries, he finally managed to produce a photocopied \$100 note that closely resembled a genuine \$100 note.

He then printed another four copies of the note and cut them to the right size.

The next day, he produced one of the fake \$100 notes at Foodpark coffee shop at Block 2, Lorong Lew



Sasi Kumar was caught after using a fake \$100 note to pay for two packets of cigarettes.

Lian, to pay for two packets of cigarettes totalling \$21.80.

He pocketed the \$78.20 in change.

The fake note was discovered by a stall supervisor, who made a police report on July 13.

Police raided Sasi Kumar's home in Lorong Lew Lian and found, among other things, a counterfeit \$50 note.

In his written mitigation plea, Sasi Kumar said his wife was due to deliver their third child soon. He said he suffers from epileptic fits and had just found a job doing deliveries for a friend.

Two other charges of using a fake \$100 note and having instruments for making them were taken into consideration.

He could have been jailed for up to 20 years and fined on each charge.

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PP V RAJESWARI RAJABOSE

Rajeswari Rajabose (Rajeshwari) was a Malaysian working in Singapore. She was facing financial difficulties and decided to take up loans from licensed moneylenders in Singapore. She eventually found it difficult to service her mounting debts. In order to get cash quickly, Rajeshwari devised a plan to print \$100 notes and spend them so as to get real cash in return.

In November 2015, Rajeshwari downloaded an image of the Singapore \$100 note from the Internet at her home in Johor Bahru. She then printed several copies of the note using her colour printer. In the same month, Rajeshwari used the counterfeit notes at retail shops such as fast food outlets and convenience stores. She targeted these stores as they were usually crowded and the likelihood of the staff remembering her would be lower. Rajeshwari purchased low value items to get back more change from the cashiers. She subsequently used the monies to repay her debts.

The CAD established Rajeshwari's identity after extensive investigations.

She was charged for offences under Section 489B of the Penal Code for using the counterfeit currencies. She was subsequently convicted in June 2016 and was sentenced to three years' imprisonment.

PP V SU CHIA ERN AND OTHERS

The CAD commenced investigation into a motor insurance fraud involving Su Chia Ern (Su), who owned Concept Services Enterprise, a now-defunct car workshop.

Between July 2008 and June 2009, Su and his accomplices, Teo Kok Hwee (Teo) and Pan Weida Pepin (Pan) recruited individuals as phantom drivers and passengers for the purpose of submitting false motor insurance claims. Su, Teo and Pan would fabricate motor accidents while these individuals would falsely report that they were involved in traffic accidents when they were not. Their particulars were then used in the Singapore Accident Statements which were submitted to the General Insurance Association.

In total, the syndicate had faked 12 accidents by using motor vehicles with

existing damages or by self-damaging the vehicles. These false claims were later submitted to various insurers to claim for repairs performed by Concept Services Enterprise, and for injury feigned by the phantom drivers and passengers during the "accidents".

Su and his 19 accomplices were prosecuted in court. Su was sentenced to 40 months' imprisonment on 19th February 2016 for cheating involving fraudulent insurance claims. Teo and Pan were sentenced to 24 and 28 months' imprisonment respectively, while the other accomplices received sentences ranging from three to ten months' imprisonment each for their roles in the conspiracy.

In total, the syndicate had cheated or attempted to cheat three insurance companies of \$341,698.

| SATURDAY, FEBRUARY 20, 2016 | THE STRAITS TIMES |

Mastermind jailed over motor insurance fraud

Ex-car workshop owner staged accidents and recruited people to submit fake claims

Amir Hussain

A man who was one of the brains behind a motor insurance fraud syndicate that submitted false claims of about \$380,000 in relation to nine

staged accidents was jailed yesterday for three years and four months. Su Chia Ern, 45, who owned the now-defunct car workshop Concept Services Enterprise, pleaded guilty to six charges of cheating. He admitted to 25 other counts,

which were taken into consideration during sentencing.

A district court heard that between July 2008 and June 2009, Su submitted or abetted in the submission of the false insurance claims.

Three insurance firms were duped by the syndicate, which had 20 people, and paid out \$175,663.

The two other masterminds were Teo Kok Hwee, a managing director of a recruitment services firm, and

Pan Weida Pepin, a car dealer.

Su, Teo and Pan would recruit car owners and drivers to make false reports stating they had been in traffic accidents, when they had not.

The trio would stage the accidents, but got others to submit property damage and personal injury insurance claims in their names.

To support the claims, Su would take photos of the damaged vehicles. He would sometimes even re-

move parts of a vehicle to make it look like it had been involved in a genuine accident.

In 2009, Su got Godfrey Liew Kok Hon, 41, the husband of his girlfriend's sister, to submit a false claim when he found out Liew was having financial difficulties.

Liew agreed to leave his car at Su's workshop in Sin Ming Industrial Estate. The car was subsequently damaged to make it appear like it was involved in an accident.

Liew also got his wife, You Baolan, involved as a phantom passenger in the fake accident, so that she could make a false insurance claim.

He later obtained a medical report and certificate by lying to the doctor that he had stiffness in the wrist and lower back. His wife allegedly also got diagnosed with whiplash injury and purportedly submitted an injury claim for \$21,794, but this was not paid out as the insur-

ance company suspected fraud.

The prosecution asked for 3½ years' jail for Su, noting that such cases involve multiple layers of deception, and cause premiums for all motor insurance policyholders to rise. In 2013, the General Insurance Association of Singapore said it conservatively estimated one-fifth of all claims to be inflated or fraudulent, and such claims cost about \$140 million a year.

Su is out on \$200,000 bail, pending an appeal against the sentence. He could have been jailed for 10 years and fined on each cheating charge.

Teo was jailed for 24 months last year, while Pan's case is pending. Liew was jailed for six months. You's case is also still pending.

In all, 15 people in the syndicate, including Su, have been convicted.

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EVENTS AND VISITS



The Honourable Attorney-General, Mr Lucien Wong graced a visit to the CAD on 24 January 2017



The Commissioner of Police, Mr Hoong Wee Teck graced a visit to the CAD on 21 March 2017





The CAD hosted a visit by the Department of Special Investigation of Thailand on 25 February 2016



The CAD hosted a visit by the Guardia di Finanza of Italy on 27 May 2016



The CAD hosted the 2nd ASEAN Workshop on International Economic Crime in November 2016



The CAD hosted the Commercial Crime Investigation Department of Malaysia in December 2016

TEAM CAD

Staff Appreciation Event



Tri-Agency Games



Bowling



Director CAD Awards



International Economic Crime Course



NOTES OF APPRECIATION

“The CAD officer in charge of my case has been very helpful and has responded to me promptly.”

– *Victim*

“I would like to commend the CAD Duty Officer on 14th March 2016 (Monday), for his effort to authenticate a piece of \$10,000 Singapore currency note. This officer was very kind to explain to me that my note has been handed over to the MAS for verification and I should be expecting a call from the investigating officer by Thursday. He had put himself into the situation of a worried caller and even gave his personal number for me to contact in the event I do not receive any updates by the mentioned date. I am extremely pleased that he has helped me with my request quickly and professionally...”

– *Complainant*

“I appreciate the CAD officer for his patience and professionalism in handling my case.”

– *Victim*

“I have just received a phone call from the victim who has confirmed that she has received the transfer from Singapore. She is obviously delighted with this result and would like me to convey her thanks to you for your hard work in this matter. This is the first time that I have known funds could be returned to a victim in this manner and I congratulate you and your organisation for pursuing this matter for victims outside of your jurisdiction... Many thanks.”

– *Leicestershire Police Economic Crime Unit*

“I wish to inform that the officer of the Commercial Affairs Department has provided me with detailed clarifications and addressed my feedback. I am grateful for the high efficiency and courtesy demonstrated by the officer. Thank you to your team as well, for looking into my feedback, and directing it to your relevant colleague.”

– *Complainant*

“I would like to give my appreciation to those CAD officers involved in dealing with this case, for all their work and determination which has led to this satisfactory outcome.”

– *Victim*

“Thank you both officers for your assistance today. I appreciate your professionalism and clarity of communication throughout our meeting.”

– *Victim*

“I am writing to send my deepest appreciation to the CAD officer who has been prompt, meticulous and efficient in reviewing the documentation we submitted and has helped us to focus our efforts to gather more evidence. In our interaction with her, we also found her respectful, attentive, and a delight to work with. We are thoroughly impressed by her and truly glad to have been assigned this officer for our case.

As such, we sincerely hope that this officer would be recognised for her professionalism and efficiency.”

– *Victim*

“We are both very pleased that a small portion of our money has been recovered and returned to our bank account through your tireless efforts. We appreciate your sincere efforts and are very grateful to you for your hard work.”

– *Victim*

“Thanks for your assistance on this matter. In particular, we appreciate that you gave us significant time in order to clearly comprehend the details of our clients’ case.”

– *Joseph Tan Jude Benny LLP*

“We would like to record our gratitude to CAD for the assistance rendered in this case. We would like to thank Director CAD and Head Syndicated Fraud Branch for their personal attention and assistance in the case especially at crucial junctures and the lead investigating officer and her colleagues for many hours over late nights and weekends in the follow-up work.”

– *Attorney-General's Chambers*

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